



DEPARTMENT OF LABOR  
BUREAU OF LABOR STANDARDS  
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AUGUSTA, MAINE  
04333-0045

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WAGE & HOUR DIVISION

DR. JASON MOYER-LEE  
DIRECTOR

August 8, 2024

Seagull Shop Restaurant and Gifts  
Attn: Brooke Cotter  
3119 Bristol Rd  
New Harbor, ME 04554

RE: Violations of Title 26 MRS. Inspection #484516

Dear Brooke Cotter,

When our Inspector, Joshua Atkinson, visited your place of business on October 18, 2023 the following violations of Maine Labor Law were found:

**Timely and Full Payment of Wages**

Section 621-A, entitled “Timely and Full Payment of Wages”,<sup>1</sup> (materially) states:

**1. Minimum frequency and full payment.** At regular intervals not to exceed 16 days, every employer must pay in full all wages earned by each employee, except members of the family of the employer and salaried employees. Each payment must include all wages earned to within 8 days of the payment date. Payments that fall on a day when the business is regularly closed must be paid no later than the following business day. An employee who is absent from work at a time fixed for payment must be paid as if the employee was not absent. ...

**2. Regular payment required.** Wages must be paid on an established day or date at regular intervals made known to the employee. The interval may not be increased without written notice to the employee at least 30 days in advance of the increase.

In this case, the employer failed to pay the following employees on the established pay dates:

- [REDACTED], \$330.15 on 09/19/2023; and \$362.53 on 09/26/2023.
- [REDACTED], \$236.52 on 09/19/2023; and \$319.34 on 09/26/2023.

**Violations: 4**

<sup>1</sup> <https://legislature.maine.gov/statutes/26/title26sec621-A.html>

## Unfair Agreements

Section 629(1) of Title 26<sup>2</sup>, titled “Unfair Agreements”, (materially) states:

....A person, firm or corporation may not require or permit any person as a condition of securing or retaining employment to work without monetary compensation or when having an agreement, oral, written or implied, that a part of such compensation should be returned to the person, firm or corporation for any reason other than for the payment of a loan, debt or advance made to the person, or for the payment of any merchandise purchased from the employer or for sick or accident benefits, or life or group insurance premiums, excluding compensation insurance, that an employee has agreed to pay, or for rent, light or water expense of a company-owned house or building. This section does not apply to work performed in agriculture or in or about a private home.

In this case, the employer required or allowed the following employees to work without monetary compensation during the following pay cycles:

■ [REDACTED], pay cycles ending 09/16/2023 and 09/23/2023.  
■ [REDACTED], pay cycles ending 09/16/2023 and 09/23/2023.

**Violations: 4**

## Penalties

When assessing fines, the Division generally relies on Section 53 of Title 26, which (materially) states:

...[T]he director may assess a forfeiture against any employer, officer, agent or other person who violates any provision of chapter 7, subchapters I to IV for each violation of those subchapters. The forfeiture may not exceed \$1,000 or the amount provided in law or rule as a penalty for the specific violation, whichever is less. ... The director shall adopt rules to govern the administration of the civil money forfeiture provisions. The rules must include a right of appeal by the employer and a range of monetary assessments with consideration given to the size of the employer's business, the good faith of the employer, the gravity of the violation and the history of previous violations. ...

The Rules referred to above are entitled: *Chapter 9: Rules Governing Administrative Civil Money Penalties for Labor Law Violations*.<sup>3</sup> Pursuant to these rules, fines start at the minimum penalty or the lowest amount in the penalty range for a particular violation, and then must be increased for

<sup>2</sup> <https://legislature.maine.gov/statutes/26/title26sec629.html>

<sup>3</sup> The rules which are currently in force, and upon which this citation relies, can be found here: <https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.maine.gov%2Fsos%2Fcec%2Frules%2F12%2F170%2F170c009.docx&wdOrigin=BROWSELINK>.

the severity of the violation, when the employer has a history of violations, and if the violations are “willful”. The fines decrease, on the other hand, when the employer demonstrates “good faith” or has 100 or fewer employees.

Employer size is the only relevant criterion to the imposition of fines in this case. The employers in this case have 25 employees. This means that, pursuant to Section III(B)(2), the penalty amount in all violations will be reduced by 15%. Therefore, to calculate the penalty amount the Division imposes for the violations in this case, the Division starts with the minimum penalty provided by the statute in question and then reduces the amount by 15%.

### **Timely and Full Payment of Wages; and Unfair Agreements**

The violations for timely and full payment of wages (Section 621-A) and unfair agreements (Section 629) are all subject to the same penalty range. This is set out at Section 626-A, which (materially) states: “Whoever violates any of the provisions of...sections 621-A to 623...or 629...is subject to a forfeiture of not less than \$100 nor more than \$500 for each violation.”<sup>4</sup>

As \$100 is the lowest amount in the range, the Chapter 9 Rules require us to use this number as our starting point. The \$100 figure is then multiplied by the 8 violations under this category, resulting in an initial fine of \$800. The 15% reduction is then applied, resulting in a **total penalty amount of \$680 for the violations in this category.**

### **Appeals and Settlements**

**The total penalty for the above violations is \$680. Please make checks payable to “Treasurer, State of Maine” and mail to the address at the top of this letter.**

Pursuant to Section 53 of Title 26, you have the right to appeal this citation. The Bureau’s appeals process is set out in Section IV of the Chapter 9 Rules.

If you choose to file an appeal of any violation or penalty, you must do so within fifteen (15) business days of receipt of this notice. The appeal must be submitted in writing to the Deputy Director of the Bureau, at the address listed above. If you file an appeal, be specific as to which violation(s) or penalties you wish to appeal. If a request for a formal appeal is received timely, a hearing will be scheduled. The Deputy Director will assign the appeal to a qualified hearing officer. The hearing will be at the headquarters of the Bureau or at a place mutually agreeable to the parties. The hearing may be held telephonically or by remote video, at the discretion of the hearing officer. All proposed penalties will be stayed until after the formal appeal is heard.

If no response is received within the designated timeframe, you accept all citations and any penalties assessed. The notice will become a final order and payment will be due at that time.

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<sup>4</sup> <https://legislature.maine.gov/statutes/26/title26sec626-A.html>

We strongly recommend that any correspondence be sent by certified mail. Failure to correct violations may result in additional penalties for each violation that is not corrected.

You may approach the Bureau to negotiate a settlement to waive the violations or penalties at any time during this process. However, settlement negotiations will not affect the deadline to appeal. If you have questions regarding this notice, you may contact the Bureau of Labor Standards, Wage & Hour Division at (207) 623-7925.

Respectfully,

A handwritten signature in black ink that reads "Scott R. Cotnoir". The signature is written in a cursive, slightly slanted style.

Scott Cotnoir, Director  
Wage and Hour Division  
Inspection #484516