

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

H.P. 30 - L.D. 66

An Act to Expand Access to the Maine Wage Assurance Fund

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 26 MRSA §632, as corrected by RR 2023, c. 2, Pt. E, §21, is amended to read:

§632. Fund for unpaid wages and certain liquidated damages

1. Fund established. There is established the Maine Wage Assurance Fund to be used by the Bureau of Labor Standards within the Department of Labor for the purpose of assuring that all former employees of employers within the State receive payment for wages and liquidated damages, in an amount equal to the wages, for a maximum of 2 4 weeks for the work they have performed. The Legislature intends that payment of earned wages and liquidated damages from the fund be limited to those cases when the employer has terminated the employer's business and there are no assets of the employer from which earned wages may be paid or when the employer has filed under any provision of the Federal Bankruptcy Act. An officer or director in the case of a corporation, partner in the case of a partnership or owner in the case of a sole proprietorship may not be considered an employee for purposes of this section.

2. Administration. The fund ~~shall~~ must be administered by the Director of the Bureau of Labor Standards. Applications for payment from the fund and disbursements from the fund ~~shall~~ must be in accordance with ~~regulations promulgated~~ rules adopted by the director. The State ~~shall~~ must be subrogated to any claims against an employer for unpaid wages and liquidated damages, in an amount equal to the wages, by an employee who has received payment from the fund. Subrogation to these claims ~~shall~~ must be to the extent of payment from the fund to the employee.

3. Amount in fund. The Maine Wage Assurance Fund is a nonlapsing, revolving fund limited to a maximum of \$200,000. All money collected from an employer pursuant to a claim for unpaid wages and liquidated damages, in an amount equal to the wages, by an employee who has received payment from the fund, or by the State as the employee's subrogee, is credited to the fund.

The fund must be established and augmented periodically as necessary.

Money in the fund not needed currently to meet claims against the fund must be deposited with the Treasurer of State to be credited to the fund and may be invested in such manner as is provided for by statute. Interest received on that investment must be credited to the Maine Wage Assurance Fund.