**MAPA-3** revised 8-2019

**Notice of Agency Rulemaking Proposal**

AGENCY:12-170 Department of Labor, Bureau of Labor Standards

CHAPTER NUMBER AND TITLE: Chapter 12, Rules Relating to Equal Pay

TYPE OF RULE *(check one)*: x Routine Technical  Major Substantive

PROPOSED RULE NUMBER (*leave blank; to be assigned by Secretary of State*):

BRIEF SUMMARY:

This is a technical change to the rule, in accordance with P.L. 2025, c. 50:

1. Adding a definition for “Health care employer”
2. Expanding the definition of “seniority system” to include health care employers
3. Re-lettering affected definitions under *I. Definitions* of the Chapter 12 Rules

Date, time and location of PUBLIC HEARING *(if any)*: Tuesday, September 23, 2025 at 1:00 p.m. at the Department of Labor, Frances Perkins Room, 45 Commerce Drive, Augusta, Maine 04330

COMMENT DEADLINE: Friday, October 3, 2025

CONTACT PERSON FOR THIS FILING *(include name, mailing address, telephone, fax, TTY, email)*:

Dillon Murray

Department of Labor

54 State House Station

Augusta, Maine 04333-0054

207-530-1885

Dillon.f.murray@maine.gov

CONTACT PERSON FOR SMALL BUSINESS IMPACT STATEMENT *(if different)*:

FINANCIAL IMPACT ON MUNICIPALITIES OR COUNTIES *(if any)*: N/A

STATUTORY AUTHORITY FOR THIS RULE: 26 M.R.S.A. §42

SUBSTANTIVE STATE OR FEDERAL LAW BEING IMPLEMENTED *(if different)*:

AGENCY WEBSITE: maine.gov/labor/rulemaking

EMAIL FOR OVERALL AGENCY RULEMAKING LIAISON: Dillon.f.murray@maine.gov

*\* Check one of the following two boxes.*

x *The summary provided above is for publication in both the newspaper and website notices.*

*□ The summary provided above is for the newspaper notice only. Title 5 §8053, sub-§5 & sub-§7, ¶D. A more detailed summary is attached for inclusion in the rulemaking notice posted on the Secretary of State’s website. Title 5 §8053, sub-§3, ¶D & sub-§6.*

**Please approve bottom portion of this form and assign appropriate AdvantageME number.**

APPROVED FOR PAYMENT DATE:

 (*authorized signature)*

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**MAPA-3** revised 2-2016: additional summary information for web

**Notice of Agency Rulemaking Proposal**

**Additional Information for the Web** *(if any)*

**DETAILED SUMMARY:**

This proposed rule change, triggered on the passage of P.L. 2025, Resolve, c. 50 by the 132nd Legislature, is designed to clarify the application of the Maine Equal Pay Law for Health Care Employers who operate facilities in multiple geographic locations. It should be noted that this Resolve began as a bill which amended the Equal Pay statute, 26 M.R.S. section 628, jeopardizing the strength of Maine’s Equal Pay Law. Under current law, pay differentials are only allowed if they are based on seniority, merit-based increases, or shift differentials, provided that they do not discriminate based on sex or race. By adding geographic location and experience/credentials as justifications for pay differences, the original bill introduced new factors that could lead to disparities in wages across the state. We recognize and appreciate the bill sponsor and industry partners who brought the bill forward and believe changing the rules will effectively settle our concerns regarding a statute change while also providing the needed flexibility for Health Care Employers to address rural workforce challenges and support recruitment in underserved areas.

The proposed rule changes bring clarity by adding a definition “Health Care Employer” to Chapter 12, minimizing the chance that the rule change would apply to industries outside of health care. By expanding the existing definition of “Seniority System” in Chapter 12 to validate seniority systems that consider both years of service and relevant education and work experience, as long as consideration does not result in another employee with similar or greater years of service or relevant educational and work experience is being paid less than a new hire performing comparable work, Health Care Employers are afforded greater flexibility in wage structures, hiring and retention of workers without harming the overall effectiveness of Maine’s Equal Pay statute.

Rule-Making Fact Sheet

*(5 MRSA §8057-A)*

AGENCY: 12-170 Department of Labor, Bureau of Labor Standards

NAME, ADDRESS, PHONE NUMBER, E-MAIL OF AGENCY CONTACT PERSON:

Dillon Murray

Department of Labor

54 State House Station

Augusta, Maine 04333-0054

207-530-1885

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CHAPTER NUMBER AND RULE TITLE: Chapter 12, Rules Relating to Equal Pay

TYPE OF RULE *(check one)*: **X** Routine Technical  Major Substantive

STATUTORY AUTHORITY: 26 M.R.S.A. §42

DATE, TIME AND PLACE OF PUBLIC HEARING: Tuesday, September 23, 2025, at 1:00 p.m. at the Department of Labor, Frances Perkins Room, 45 Commerce Drive, Augusta, Maine 04330.

COMMENT DEADLINE: Friday, October 3, 2025

PRINCIPAL REASON(S) OR PURPOSE FOR PROPOSING THIS RULE:

The Department of Labor, Bureau of Labor Standards, is responsible for drafting rules and changes for Title 26 Chapter 12. The changes to the rule are to implement changes made by resolve P.L. 2025, Ch. 50, clarifying Equal Pay in Maine for Health Care Employers who operate facilities in multiple geographic locations.

IS MATERIAL INCORPORATED BY REFERENCE IN THE RULE? YES X NO [§8056(1)(B)]

ANALYSIS AND EXPECTED OPERATION OF THE RULE: [*see* §8057-A(1)(B)&(D)]

The purpose of this rules change is to bring clarity and flexibility to the application of the Maine Equal Pay Law, specifically for Health Care industry employers who operate with employees in geographically different locations.

BRIEF SUMMARY OF RELEVANT INFORMATION CONSIDERED DURING DEVELOPMENT OF THE RULE (including up to 3 primary sources relied upon) [*see* §§8057-A(1)(E) & 8063-B]

Agency experience and expertise, the legislative hearings process and testimony, input from stakeholders and interested parties.

ESTIMATED FISCAL IMPACT OF THE RULE: [*see* §8057-A(1)(C)] None.

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| ***FOR EXISTING RULES WITH FISCAL IMPACT OF $1 MILLION OR MORE, ALSO INCLUDE:*** ECONOMIC IMPACT, WHETHER OR NOT QUANTIFIABLE IN MONETARY TERMS: [*see* §8057-A(2)(A)]   INDIVIDUALS, MAJOR INTEREST GROUPS AND TYPES OF BUSINESSES AFFECTED AND HOW THEY WILL BE AFFECTED: [*see* §8057-A(2)(B)]    BENEFITS OF THE RULE: [*see* §8057-A(2)(C)]  |

*Note: If necessary, additional pages may be*