

Maine's 2024 Wage and Hour Report: Essential Insights for Employers

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Background

- Maine Annually Reports Wage and Hour Complaints & Violations
- Published February 2025
- Data on individual companies cited are available publicly on the Maine DOL website
- Purpose of Presentation = Education (not drawing attention to past mistakes)

Outline: Top Areas of Concern

- Child Labor
- Recordkeeping
- Misclassification (EE v. IC)
- Timely & Full Payment of Wages
- Tips (Employer Retention)
- Minimum Wage & Overtime
- Personnel Files & Reason for Termination
- Unfair Agreements
- Earned Paid Leave
- Unfair Contracts
- Sexual Harassment Training & Posting

Child Labor

- The Law

- 26 M.R.S. § 771
 - Minimum working age 14 (limited exceptions)
- 26 M.R.S. § 772
 - Limits on youth involvement in hazardous jobs
- 26 M.R.S. § 774
 - Limits on # hours of work per week/day
 - AM/PM work hour limits
- 26 M.R.S. § 775
 - Work permits are required for minors <16

- Violations

- 43 cases alleged
- 22 cases with citation
- 834 violations
- Fines assessed: \$231,711.00
 - AM/PM limits: \$142,925.00
 - Hours of employment: \$46,579.50
 - Work permits: \$40,881.50

Recordkeeping

- The Law:
 - 26 M.R.S. § 622
 - Employers must keep records showing the date and amount paid to all employees
 - Daily record of time worked by hourly employees
 - 26 M.R.S. § 665
 - Maintain records of hours worked and wages paid for three years
 - Provide a wage statement showing: pay period hours, total earnings, itemized deductions
- Violations
 - 26 M.R.S. § 622
 - 72 cases alleged
 - 21 cases with citations
 - 10,940 violations
 - Fines assessed: \$216,472.29
 - 26 M.R.S. § 665
 - 59 cases alleged
 - 7 cases with citations
 - 3,907 violations
 - Fines assessed: \$6,789.89

Employee Misclassification

- The Law
 - 26 M.R.S. § 591-A
 - An employer that intentionally or knowingly misclassifies an employee as an independent contractor commits a civil violation, resulting in a fine of \$2000-10,000 per violation
- Violations
 - 19 cases alleged
 - 3 cases with citations
 - 228 violations
 - Fines assessed: \$36,682.00

Full & Timely Payment of Wages

- The Law
 - 26 M.R.S. § 621-A
 - Pay must be paid at regular intervals, not to exceed 16 days
 - Must include wages earned within 8 days of the payment date
 - Pay must occur at regular intervals known to the employee and cannot be changed without 30 days' written notice
 - Cannot charge a fee for direct deposit
 - Must give prior notice if the rate of pay is decreased.
- Violations
 - 215 cases alleged
 - 47 cases with citation
 - 3,855 violations found
 - Fines assessed: \$154,134.85

Tips

- The Law
 - 26 M.R.S. § 664(2)
 - Tips received by the employee are the property of the employee; the employer must not keep employee tips
 - Tips paid by credit card must be paid to the employee by the next regular payday
- Violations
 - 12 cases alleged
 - 4 cases with citations
 - 539 violations
 - Fines assessed: \$1,789.10

Minimum Wage & Overtime

- The Law

- 26 M.R.S. § 664(1)- Min. Wage
 - In 2024, the hourly rate at \$14.15
- 26 M.R.S. § 664(3)- Overtime
 - In 2024, paying time and a half for all hours over 40 in a workweek
 - In determining the hourly rate by including all earnings, bonuses, commissions, and other commissions
- 26 M.R.S. § 664(4) – Compensatory Time Agreements
 - Not permitted

- Violations

- Section 664(1) Min. Wage
 - 29 cases alleged
 - 1,019 violations found
 - 14 Citations Issued
 - Fines assessed: \$36,994.16
- Section 664(3) Overtime
 - 50 cases alleged
 - 1,138 violations found
 - 20 Citations Issued
 - Fines assessed: \$42,647.55
- Section 664(4) Compensatory Time
 - 1 case alleged (1 violation)

Personnel File/Reason for Termination

- The Law

- 26 M.R.S. § 630
 - Employers must provide a written reason for termination within 15 days of receipt of a written request
- 26 M.R.S. § 631
 - Employers shall provide access for review/copying of the personnel file at the employee's written request
 - Access/copy must be provided within 10 days of receipt of the request

- Violations

- 26 M.R.S. § 630
 - 2 cases alleged
 - 19 violations found
- 26 M.R.S. § 631
 - 4 cases alleged
 - 1 case with citation
 - 187 violations
 - Fines assessed: \$500.00

Unfair Agreements

- The Law

- 26 M.R.S. § 629
 - Cannot require an employee to work without compensation or return compensation (limited exceptions)
 - Can seek compensation returned for debt, loan, or advance (appropriate deductions)
 - Cannot seek return for cash shortages, inventory shortages, dishonored checks/credit cards)

- Violations

- 27 cases alleged
- 378 violations found
- 10 citations Issued
- Fines assessed: \$117,412.10

Earned Paid Leave

- The Law
 - 26 M.R.S. § 637
 - Employers with more than 10 employees must provide earned paid leave
 - Accrual: 1 hour for every 40 hours worked
 - Leave must be paid at the “base rate” immediately prior to taking leave

Values	2022	2023	2024	Grand Total
Cases	3	4	1	8
Complaint Cases	3	3	1	7
Investigated	3	3	1	7
Cases with Violations	-	1	1	2
Violations		2	1	3
Cases with Wages Owed	3	4	1	8
Workers Owed	3	11	1	15
Wages Owed	\$1,506	\$9,062	\$1,295	\$11,863
Earned Paid Leave Wages Owed	\$1,506	\$9,062	\$920	\$11,489
Cases with Wages Paid	1	2	1	4
Workers Paid	3	11	1	15
Wages Paid	\$690	\$1,636	\$375	\$2,700
Liquidated Damages Paid	\$0	\$0	\$0	\$0
Interest Paid	\$0	\$0	\$0	\$0
Cases with Penalties Assessed				
Penalties Assessed				
Cases with Penalties Paid				
Penalties Paid				
Average Days to Resolution	76	65	14	63

Sexual Harassment Training & Notification

- The Law
 - 26 M.R.S. § 807
 - Employers must post a workplace poster regarding sexual harassment
 - Must provide annual written notice to employees regarding sexual harassment
 - Employers with 15+ employees must train all new employees within 1 year, and provide additional training for managers/supervisors
- Violations
 - 7 cases alleged
 - 99 violations found

Questions?

Thank you