STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

S.P. 515 - L.D. 1278

An Act to Require Timely Payment for Salaried Employees

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

- **Sec. 1. 26 MRSA §621-A, sub-§1,** as amended by PL 2017, c. 219, §8, is further amended to read:
- 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. For purposes of this subsection, "members of the family of the employer" and "salaried employees" have the same meanings as described in section 663, subsection 3, paragraphs J and K, respectively.
- **Sec. 2. 26 MRSA §621-A, sub-§5,** as amended by PL 2005, c. 103, §1, is further amended to read:
- **5.** Change in rate of pay. Notwithstanding the provision of section 623 exempting salaried employees as defined in section 663, subsection 3, paragraph K, payment Payment of wages or salary must be made at the rate previously established by the employer, except that the employer may decrease the rate of pay, effective the next working day, if the employer gives notice to all affected employees prior to the change. When an employer has temporarily increased an employee's wage rate to comply with the prevailing wage requirements of chapter 15; the federal Davis-Bacon Act, 40 United States Code, Section 276a et seq.; or other applicable federal or state law, an employer need not provide advance notice prior to returning the employee to the employee's regular wage rate, as long as the employer is in compliance with all posting and notice provisions of the applicable law. Changes of rates of pay made under a collective bargaining agreement are exempt from this requirement.
- Sec. 3. 26 MRSA §622, as amended by PL 2017, c. 219, §10, is further amended to read:

§622. Records

Every employer shall keep a true record showing the date and amount paid to each employee pursuant to section 621-A. Every employer shall keep a daily record of the time worked by each such employee unless the employee is paid a salary that is fixed without regard for the number of hours worked, except salaried employees as described in section 663, subsection 3, paragraph K. Records required to be kept by this section must be accessible to any representative of the department at any reasonable hour. Sections 621-A to 623 and 622 do not excuse any employer subject to section 774 from keeping the records required by that section.

Sec. 4. 26 MRSA §623, as amended by PL 2005, c. 18, §2, is further amended to read:

§623. Exemptions

This section and sections Sections 621-A and 622 do not apply to family members and salaried employees as defined in section 663, subsection 3, paragraphs J and K. Sections 621-A and 622 do not apply to an employee of a limited liability partnership and do not apply to an employee of an S corporation or a cooperative corporation or association if the employee is a stockholder of the corporation or association, unless the employee requests the association or corporation to pay that employee in accordance with section 621-A. Except as provided in section 621-A, subsections 3, 4 and 5, a corporation, contractor, person or partnership may not by a special contract with an employee or by any other means exempt itself from this section and sections 621-A and 622.