

## DEMAND FOR UNPAID WAGES

TO: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

FROM: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Pursuant to Title 26 M.R.S.A. § 626 AND 626-A, I am demanding to be paid in full. According to the law, I must be paid in full by the next day on which employees would regularly be paid.

Whenever the terms of employment include provisions for paid vacations, vacation pay on cessation of employment has the same status as wages earned.

The law limits withholding of pay to two circumstances: overcompensation may be withheld if authorized under 26 MRSA § 635; and any loan or advance against future earnings or wages may be deducted if evidenced by a statement in writing signed by the employee.

I am owed \_\_\_\_\_ in wages. The basis of my claim is:

An employer found in violation of this section is liable for the amount of unpaid wages and, in addition, the judgment rendered in favor of the employee or employees must include a reasonable rate of interest, an additional amount equal to twice the amount of those wages as liquidated damages and costs of suit, including a reasonable attorney's fee.

SIGNED: \_\_\_\_\_ DATE: \_\_\_\_\_

## **26 M.R.S. §626. Cessation of employment (as amended through 2021)**

An employee leaving employment must be paid in full no later than the employee's next established payday. Any overcompensation may be withheld if authorized under section 635 and any loan or advance against future earnings or wages may be deducted if evidenced by a statement in writing signed by the employee. Whenever the terms of employment or the employer's established practice includes provisions for paid vacations, vacation pay on cessation of employment has the same status as wages earned. All unused paid vacation accrued pursuant to the employer's vacation policy on and after January 1, 2023 must be paid to the employee on cessation of employment unless the employee is employed by an employer with 10 or fewer employees or by a public employer. If the employee's employment is governed by a collective bargaining agreement that includes provisions addressing payment of vacation pay upon cessation of employment, the collective bargaining agreement supersedes this paragraph.

For purposes of this section, the term "employee" means any person who performs services for another in return for compensation, but does not include an independent contractor.

For purposes of this subchapter, a reasonable time means the earlier of either the next day on which employees would regularly be paid or a day not more than 2 weeks after the day on which the demand is made.

In any action for unpaid wages brought under this subchapter, the employer may not deduct as a setoff or counterclaim any money allegedly due the employer as compensation for damages caused to the employer's property by the employee, or any money allegedly owed to the employer by the employee, notwithstanding any procedural rules regarding counteractions, provided that any overcompensation may be withheld if authorized under section 635 and any loan or advance against future earnings or wages may be deducted if evidenced by a statement in writing signed by the employee, and that nothing in this section may be construed to limit or restrict in any way any rights that the employer has to recover, by a separate legal action, any money owed the employer by the employee.

An action for unpaid wages under this section may be brought by the affected employee or employees or by the Department of Labor on behalf of the employee or employees. An employer found in violation of this section is liable for the amount of unpaid wages and all accrued vacation pay that must be paid to the employee or employees on cessation of employment pursuant to this section. In addition, the judgment rendered in favor of the employee or employees must include a reasonable rate of interest, an additional amount equal to twice the amount of those unpaid wages and that accrued vacation pay as liquidated damages and costs of suit, including a reasonable attorney's fee.

Within 2 weeks after the sale of a business, the seller of the business shall pay employees of that business any wages earned while employed by the seller. If the terms of employment or the employer's established practice includes provisions for paid vacations, vacation pay on cessation of employment has the same status as wages earned. All unused paid vacation accrued pursuant to the employer's vacation policy on and after January 1, 2023 must be paid to the employees on

cessation of employment unless the employer has 10 or fewer employees or is a public employer. If the employees' employment is governed by a collective bargaining agreement that includes provisions addressing payment of vacation pay upon cessation of employment, the collective bargaining agreement supersedes this paragraph. The seller of a business may comply with the provisions of this paragraph through a specific agreement with the buyer in which the buyer agrees to pay any wages earned by employees through employment with the seller and to honor any paid vacation earned under the seller's vacation policy.

For the purposes of this section, "public employer" means the State, a county, a municipality, the University of Maine System, the Maine Community College System, a school administrative unit and any other political body or its political or administrative subdivision.

## **26 M.R.S. §626-A. Penalties (as amended through 2021)**

Whoever violates any of the provisions of section 600-A, sections 621-A to 623 or section 626, 628, 628-A, 629 or 629-B is subject to a forfeiture of not less than \$100 nor more than \$500 for each violation.

Any employer is liable to the employee or employees for the amount of unpaid wages and health benefits. Upon a judgment being rendered in favor of any employee or employees, in any action brought to recover unpaid wages or health benefits under this subchapter, such judgment includes, in addition to the unpaid wages or health benefits adjudged to be due, a reasonable rate of interest, costs of suit including a reasonable attorney's fee, and an additional amount equal to twice the amount of unpaid wages as liquidated damages.

Remedies for unpaid wages do not become available to the employee except as follows. If the wages are clearly due without a bona fide dispute, remedies are available to the employee 8 days after the due date for payment. If there is a bona fide dispute at the time payment is due, remedies become available to the employee 8 days after demand when the wages are, in fact, due and remain unpaid.

The action for unpaid wages or health benefits may be brought by either the affected employee or employees or by the Department of Labor. The Department of Labor is further authorized to supervise the payment of the judgment, collect the judgment on behalf of the employee or employees and collect fines incurred through violation of this subchapter. When the Department of Labor brings an action for unpaid wages or health benefits, this action and an action to collect a civil forfeiture may both be joined in the same proceeding.