



COMPLIANCE BULLETIN

HIGHLIGHTS

- Employers with more than 10 employees (other than those in seasonal industries) will be required to provide paid leave.
- Eligible employees must be allowed to use accrued paid leave for any reason.
- Employers may limit accrual of paid leave to 40 hours per year.

IMPORTANT DATES

May 28, 2019

Maine's Earned Employee Leave Law was enacted

January 1, 2021

Maine's paid leave requirements will take effect

Maine Passes Expansive Paid Employee Leave Law

OVERVIEW

Enacted on May 28, 2019, Maine's [Earned Employee Leave Law](#) is the first legislation in the United States to allow private employees to earn **paid leave that may be used for any reason**. Effective Jan. 1, 2021, this law allows eligible employees to earn **one hour** of paid leave for every **40 hours worked**, up to **40 hours per year**.

The paid leave requirements only apply to employers with **more than 10 employees**. Employers with 10 or fewer employees and employers in seasonal industries are exempt. The law does not provide any carryover, employer notice or posting requirements. However, the Maine Department of Labor is expected to adopt regulations that may contain additional requirements.

ACTION STEPS

According to Maine Governor Janet Mills, this law will cover nearly 85% of Maine's workforce. Maine employers with more than 10 employees should review existing leave policies to ensure that they will comply with the new paid leave requirements, beginning Jan. 1, 2021. Once regulations for these paid leave requirements are issued, employers should review them for additional information.

Provided By:

New England Employee
Benefits Co., Inc.

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Covered Employers

Employers that have **more than 10 employees** for more than 120 days in any calendar year must allow their employees to earn paid leave under the Earned Employee Leave Law. Employers with 10 or fewer employees and employers in seasonal industries are exempt.

Covered Employees

In general, all employees are entitled to accrue and use paid leave. However, earned paid leave does not apply to employees covered by a collective bargaining agreement during the period between Jan. 1, 2021, and the expiration of the agreement.

Maine's paid leave law will take effect on Jan. 1, 2021. It applies to employers (other than those in seasonal industries) with more than 10 employees.

Accrual of Paid Leave

Under the Earned Employee Leave Law, an eligible employee is entitled to earn **one hour** of paid leave from a single employer for **every 40 hours worked**, up to **40 hours in one year of employment**. Accrual begins at the start of employment.

Use of Earned Paid Leave

Employers must allow employees to use accrued paid leave **for any reason**. However, employers are not required to allow the use of leave before an employee has been employed for **120 days during a one-year period**. An employee's use of earned leave may not result in the loss of any employee benefits accrued before the date on which the leave commenced, and may not affect the employee's right to health insurance benefits on the same terms and conditions as applicable to similarly situated employees.

Employee Notice Requirements

Absent an emergency, illness or other sudden necessity for taking earned leave, an eligible employee must give reasonable notice to his or her supervisor of the intent to use earned leave. Use of leave must be scheduled to prevent undue hardship on the employer, as reasonably determined by the employer.

Payment of Paid Leave

While taking earned leave, an employee must:

- ✓ Be paid at least **the same base rate of pay** that the employee received immediately before taking earned leave; and
- ✓ Receive **the same benefits** as those provided under the employer's established policies for other types of paid leave.

Employer Penalties

An employer who fails to provide paid leave as required is subject to a \$1,000 fine for each separate violation.