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DEPARTMENT OF LABOR
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WAGE & HOUR DIVISION

LAURA A. FORTMAN
COMMISSIONER
J. KATE BURKHART
DIRECTOR

January 2, 2025

Joint Standing Committee on Labor
Maine State Capitol
Cross Building, Room 202
Augusta, Maine 04330

Re: Annual Earned Paid Leave Report, 26 MRSA §637(12)

Chairpersons Tipping and Roeder,

26 MRSA §637 establishes Earned Paid Leave requirements for employers in Maine. An employer of more than 10 employees in the usual and regular course of business for more than 120 days in any calendar year must permit each employee to earn paid leave based on the employee's base pay.¹ Employees are entitled to earn 1 hour of paid leave for every 40 hours worked, up to 40 hours in one year of employment.² In 2025, the law was amended to provide:

Accrued and unused hours of earned paid leave from the previous year of employment must be available for use by an employee in the year of employment immediately following the previous year. Accrued and unused hours of earned paid leave carried forward from the previous year of employment may not reduce the total amount of hours of paid leave an employee is entitled to earn in the year of employment immediately following the previous year, up to 40 hours or the accrual limit specified in the employer's policy governing paid leave, whichever is higher.³

26 MRSA §637(12) requires that "Beginning January 1, 2022, and annually thereafter, the Department of Labor shall submit a report to the joint standing committee of the Legislature having jurisdiction over labor matters on progress made in the State to comply with this section." The following is that report.

The Bureau of Labor Standards measures compliance with 26 MRSA §637 through the following indicators. **All indicators reflect data from January 1-December 16, 2025, about cases involving Earned Paid Leave allegations/issues.** This data includes 15 cases received or opened

¹ 26 MRSA §637(2).

² 26 MRSA §637(3).

³ LD 55, signed July 1, 2025 and codified in 26 MRSA §637(3).

for services prior to 2025 and resolved in 2025. Five cases received in 2025 were still open and/or pending resolution on December 16, 2025.

Earned Paid Leave Indicators for 2025:

1. Number of complaints made by workers alleging violations of Earned Paid Leave requirements: 40
2. Number of Wage and Hour investigations started that involve allegations related to violations of Earned Paid Leave requirements: 50
3. Number of Wage and Hour investigations completed that involve allegations related to violations of Earned Paid Leave requirements: 52
4. Number of Wage and Hour focused inspections⁴ completed that identify an Earned Paid Leave issue: 15 (out of 110)
5. Number of findings of violations of 26 MRSA §637:⁵ 8
6. Number of workers found to be owed Earned Paid Leave wages: 21
7. Total Earned Paid Leave wages found to be owed: \$8,591
8. Number of workers paid Earned Paid Leave wages owed: 12
9. Employers fined for Earned Paid Leave violations: 2
10. Total fines assessed for Earned Paid Leave violations: \$1,367.00
11. Fines collected for Earned Paid Leave: \$1,367.00

The number of complaints received in 2025 is commensurate with those received in 2024 (42), but substantially higher than the number of complaints received in 2022 and 2023 (28 in each year). This may be attributed in part to the Bureau's more extensive and effective outreach to workers over the past two years.

The number of investigations that resulted in violations with Earned Paid Leave wages owed in 2025 (7) was more than twice the number in prior years (3 in 2023 and 2024; 2 in 2022). The number of workers owed wages due to violations found in 2025 (21) was substantially more than in years past (3 in 2024, 10 in 2023, and 2 in 2022).

In addition to enforcement activities, the Bureau provides education to employers about labor standards, including Earned paid Leave requirements. In 2025, the Bureau offered 22 Wage and

⁴ The Division fully implemented the Strategic Enforcement Program on July 1, 2025. The Division conducts focused inspections of construction, health care, and hospitality employers as part of Strategic Enforcement. The Division will issue a detailed annual report of the Strategic Enforcement Program later in 2026.

⁵ Wage and Hour investigations can take several months, which means that some investigations completed in 2025 were started in 2024. Indicators related to violations found include all investigations and inspections completed January 1-December 16, 2025.

Hour classes across the state. Over 450 employers attended these classes, which included education about Earned Paid Leave requirements.

Sincerely,

J. Kate Burkhart, Director
Bureau of Labor Standards