



# SIMPLE SOLUTIONS

## HR SUPPORT

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# MAINE'S NEW PTO LAW

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With January 1, 2021 approaching us quickly, Maine's new Paid Time Off Law is about to go into effect! The new paid time off law brings significant changes which are important for businesses to integrate into their policies to stay in compliance with Maine DOL.



## Effective January 1, 2021:

- Leave may be used for any reason
- Leave is available in increments of one hour
- Pay is based on average hourly wage from previous week. For example, an employee receiving a stipend for on-call work would have that wage become part of the hourly rate they are paid for paid time off.
- Eligible employees include any employee that who works for more than 120 days in a year, this includes paid board members
- Employers with 10 or more employees, including paid board members
- PTO is accrued in increments of 40 work hours. For example, if an employee works 30 hours, the employee is not eligible for any Paid Time Off and if they work 60 hours, they are eligible for only one hour.
- If the employer has a policy to pay paid time off out to employees after leaving employment, the employer will continue doing the same under this policy
- If the employer does not pay paid time off out to employees after leaving employment, unused paid time off may be credited to employees if rehired within 1 year
- Employees must provide 30 days' notice, unless in case of emergency or sudden necessity
- Employees may carry over up to 40 hours of paid time off into the next calendar year
- Employees may not take more than 40 hours of paid time off in one calendar year, regardless of how much time has been accrued
- Salaried employees are presumed to work hours 40 per week and accrue time accordingly
- Employees may begin using Paid Time off after 4 months of employment

To reduce administrative burden, we have developed two items to help you:

### – Paid Time off Policy –

To help track hours for employees

### – Paid Time off Tracker –

To review, update, and share with employees regarding changes

**For more details, please click the button below.**

**Details on Maine's 2021 PTO Law**

For routine updates related to HR, please follow Simple Solutions under MRWA Member content. For any questions or technical support, please reach out to Humza Khan, MRWA's HR Director, at [Humza.khan@mainerwa.org](mailto:Humza.khan@mainerwa.org).



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