



# ANNUAL STRATEGIC ENFORCEMENT REPORT

Maine Department of Labor  
Bureau of Labor Standards  
Wage and Hour Division

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## Introduction

The Maine Department of Labor presents the following report in accordance with Section V of Department of Labor, Bureau of Labor Standards, Chapter 9: Rules Governing Administrative Civil Money Penalties for Labor Law Violations.

The Bureau's goal is to best use available resources in the most effective and efficient manner possible to ensure workers are paid fairly and accurately and employers understand their obligations regarding Maine's labor laws and how to comply with those laws.

## Executive Summary

The Maine Department of Labor's Bureau of Labor Standards (BLS) is implementing a Strategic Enforcement Plan to improve labor law compliance through proactive, data-driven enforcement. This approach shifts away from traditional reactive models by focusing on high-risk industries, deterrence through penalties, and collaborative partnerships to create widespread compliance rather than just responding to individual complaints.

### **Strategic Enforcement Approach**

Strategic enforcement prioritizes industries with systemic violations by:

- **Prioritizing High-Risk Sectors** – Focusing on industries with frequent labor law violations, such as food services, healthcare, and construction.
- **Enhancing Prevention Efforts** – Using education, outreach, and compliance guidance to reduce violations.
- **Data-Driven Enforcement** – Using complaint data, industry trends, and employer records to identify key offenders.
- **Maximizing Deterrence** – Imposing penalties, increasing public awareness, and pursuing legal action to discourage noncompliance.
- **Building Partnerships** – Working with government agencies, worker organizations, and industry groups for broader enforcement impact.

### **Strategic Enforcement Process**

The Bureau's six-phase enforcement model, developed with Brandeis University and Harvard Kennedy School, includes:

1. **Retrospective Data Analysis** – Reviewing past labor law violations and worker complaints to identify high-risk industries.

2. Formal Data Collection – Prioritizing enforcement within identified industries and gathering employer data for focused investigations.
3. Enforcement Plan Execution – Developing custom action plans for each priority industry, focusing on common violations and major offenders.
4. Education and Outreach – Publicizing enforcement efforts, conducting employer workshops, and increasing worker awareness.
5. Impact Analysis – Assessing compliance rates, number of complaints, and the effectiveness of enforcement measures.
6. Ongoing Reporting – Publishing annual reports to ensure transparency and continuous improvement in enforcement strategies.

### **2024 Labor Law Violations Summary**

The 2024 Maine Wage and Hour Violations Report highlights widespread noncompliance:

- 581 worker complaints led to 277 investigations and 11,072 violations.
- \$1.7 million in unpaid wages were identified.
- Common violations included wage theft, overtime pay issues, record-keeping failures, and child labor infractions.

Top Three High-Violation Industries:

1. Food Services – 9,318 violations, \$1.08 million in unpaid wages.
2. Healthcare & Social Assistance – 2,280 violations, \$435,779 in unpaid wages.
3. Construction – 2,751 violations, \$363,990 in unpaid wages.

These sectors accounted for 61% of all violations between 2022-2024.

### **2025 Enforcement Strategy**

For 2025, BLS will allocate 40% of enforcement resources to these high-risk industries, focusing on:

- Data-Driven Prioritization – Using risk assessments and predictive modeling to focus investigations.
- Proactive Compliance Support – Offering employer training and voluntary compliance assistance programs.
- Increasing Worker Awareness – Conducting outreach campaigns and enforcing worker protections.
- Interagency & Community Collaboration – Partnering with government agencies, worker advocacy

groups, and industry organizations.

- Stronger Deterrence Measures – Enforcing penalties and publicizing enforcement outcomes.
- Continuous Monitoring – Adjusting enforcement based on real-time compliance data.

### **Conclusion**

The 2025 Strategic Enforcement Plan moves toward proactive, data-driven labor law enforcement, focusing on systemic improvements rather than isolated case resolutions. By focusing on high-risk industries, using deterrence strategies, and fostering partnerships, BLS aims to protect workers' rights and promote fair business practices across Maine.

# ANNUAL STRATEGIC ENFORCEMENT PLAN

## I. Strategic Enforcement

### What Strategic Enforcement Is

Strategic enforcement is a proactive approach to enforcement of Maine’s labor laws that focuses on maximizing BLS resources to attain compliance rather than merely reacting to individual violations. It prioritizes using data, resources, and legal tools effectively to anticipate and address systemic issues and deter noncompliance. Some key aspects include:

- **Focused Action:** Focuses on high-risk industries, repeat offenders, or areas with widespread noncompliance.
- **Preventive Measures:** Uses education, outreach, and guidance to encourage compliance before violations occur.
- **Data-Driven Decisions:** Uses analytics, trends, and intelligence to determine where and how enforcement efforts should be concentrated.
- **Partnerships & Collaboration:** Works with other agencies, organizations, and stakeholders to enhance effectiveness.
- **Maximizing Deterrence:** Seeks to create ripple effects, discouraging violations across an industry or sector by enforcing penalties, publicizing violations, and in extreme cases, issuing a cease operations order.

### What Strategic Enforcement Isn't

Strategic enforcement is not about random or purely reactive enforcement. Some common misconceptions include:

- **Not Merely Individual Casework:** It goes beyond isolated actions and focuses on broader impact.
- **Not Just Punitive:** It balances enforcement with education, compliance assistance, and deterrence strategies.
- **Not Arbitrary or Reactive:** Decisions are based on evidence, patterns, and priorities rather than responding sporadically.
- **Not One-Size-Fits-All:** It tailors approaches based on the specific industry, issue, or context.

In essence, strategic enforcement is about using enforcement as a tool for systemic change rather than just responding to violations as they occur.

## Methodology

The Bureau is developing a partnership with Brandeis University and the Harvard Kennedy School to develop a strategic enforcement model. The methodology of the Strategic Enforcement Initiative for the Maine Department of Labor consists of six key phases:

### **Phase 1: Retrospective Data Analysis**

Using data previously collected during complaint-driven investigations, along with information on patterns of violations arising from national worker surveys, the Bureau will select industry sectors for focused enforcement.

Qualitative data will also be used, drawing from news sources, outreach to employers and worker advocate stakeholders, and inspectors' enforcement experience, to select industry sectors. Supervisors and managers who see a wider swath of complaints in reviewing cases will also offer qualitative input.

While past Bureau data will be the primary way in which a focus industry is identified, supplemental data in the form of partnerships with other state agencies will also play a role. The Bureau may use data from the following sources which will influence the selection of a focus industry.

- Bureau of Unemployment Compensation
- Center of Workforce Research and Information
- Maine Revenue Services
- U.S. Wage and Hour Division
- Workers' Compensation Board

Partnerships with other enforcement agencies who can share violation data are the primary sources of external information, as an employer who breaks one law can usually be assumed to be breaking multiple laws, and potentially state labor laws.

### **Phase 2: Formal Data Gathering and Analysis**

Complaints from workers in the focus industry are given high priority for investigations. Field Inspectors will gather data from complainants beyond what is strictly necessary to process the claim. The Bureau has already identified the following list of possible ways to strategically direct resources to a segment of businesses within an industry of interest. This list is incomplete, as other factors may be identified and added in the near future.

- County or geographic region
- Business Size
- Competitiveness (number of similar businesses within worker and/or customer range)
- Turnover rates
- Payroll information
- Available labor pool
- Workforce education requirements

- Workforce percentage of ESL/new Mainers
- Employee occupation makeup (homogeneous/interchangeable workers, or heterogeneous workforce with specialized workers)

After an observation period, the Bureau will analyze this data to find if there are similar characteristics for businesses where violations are most prevalent, or where the impact of non-compliance is most harmful to workers.

Quantitative data gathered by the Bureau will be supplemented by qualitative data from contacts made in unions, worker advocacy organizations, consulates, and other community groups who represent workers not filing labor law complaints.

This data will be combined to create the profile of businesses to be focused on for Strategic Enforcement.

### **Phase 3: Formulating and Executing a Strategic Enforcement Plan**

The Bureau will create an action plan specific to the focus industry. These action plans will include

- Summary of data gathering and analysis from Phase 2;
- Diagnosis of primary drivers and secondary contributors to industry employers' non-compliance with Wage and Hour laws;
- Identify industry interests which the W&H Division can influence through enforcement intervention to deter non-compliance and incentivize compliance;
- Identify employers most likely to have a ripple effect and influence compliance within the greater industry
- Identify specific laws that have the highest violations in the industry;
- Train or refresh field inspectors on those laws and how to build cases specific to the enforcement of the laws;
- Form an investigation strategy, including the number of investigations to be conducted, number of investigators assigned to carrying out those investigations, and the amount of time budgeted to carry out the investigations.

Once the investigation strategy is formed, the Bureau will execute the strategic enforcement plan. This is a continuously evolving process involving execution and adjustment and execution throughout the year.

### **Phase 4: Communication, Education, and Engagement**

The Bureau will widely advertise the results of the investigations once final agency action is taken for violations found through a 3-pronged approach of communication, education, and engagement.

- Utilize traditional, wide-reaching methods such as general press releases and posting the final agency actions on the Bureau website
- Identify and utilize more specific communications tools that can be leveraged to influence employer compliance. (industry newsletters, social media, and email lists, etc.)
- Update and promote the Department's Violations webpage
- Direct Bureau outreach to audiences and messengers identified as having influence within the focused industry. The Bureau will prepare specific communication, education, and engagement materials to help

them spread the word within their community.

Most employers want to comply with labor laws. The Bureau will continue to provide education and outreach to all employers and meet with interest groups, such as, the National Federation of Independent Businesses (NFIB), Hospitality Maine, Chambers of Commerce, Retail Association, and others. This will build upon the outreach work the Bureau began in 2024 with the NFIB to meet with and hear from employers about what guidance and information would be most helpful to them.

#### **Phase 5: Analysis of Effects**

Using the results of investigations and final agency actions, the Bureau will define success criteria for Strategic Enforcement. The specific behavioral influences and law compliance the Bureau wishes to achieve will be defined as part of formulating the Strategic Enforcement Plan in Phase 3.

If the Strategic Enforcement Plan is carried out successfully, the Department will reduce the occurrence of violations and be able to more accurately predict the likelihood of violations. A measure of this is the rate of violations found through focused investigations in comparison to the rate of violations found through complaint-based investigations. As the Bureau's ability to identify likely violations increases, the rates for these two groups will be more aligned.

The Bureau will monitor this success criteria, potentially performing follow-up investigations with businesses previously investigated as part of the Strategic Enforcement plan in Phase 3.

#### **Phase 6: Reporting Conclusions**

The Bureau will publish the results of the Strategic Enforcement endeavor in a way which allows for replication, while protecting proprietary law enforcement techniques utilized. Progress on the Bureau's Strategic Enforcement efforts can be expected as part of this annual report.



## II. Overview of Violations, 2022-2024

The Maine Department of Labor Wage and Hour Violations Report for 2024, previously submitted to the Labor Committee, provides insights into workplace violations related to wages, overtime, child labor, and record-keeping. Here are the key findings from that report:

### a. Total Complaints and Investigations

- 581 complaints were reported in 2024, with 277 established as a case for formal investigation.
- 115 cases resulted in confirmed violations, leading to 11,072 recorded violations.

### b. Common Violations Identified

- **Wage Payment Issues:** The most common violations involved failure to pay wages on time and in full, with \$1.7 million in unpaid wages identified.
- **Record-Keeping Noncompliance:** Many employers failed to maintain proper payroll records and daily time records.
- **Overtime Violations:** Cases where workers were denied proper overtime compensation were prevalent.
- **Child Labor Infractions:** Violations included minors working excessive hours, engaging in hazardous occupations, and working without an approved work permit.

### c. Industry-Specific Trends

- **Accommodation and Food Service Industry:** Accounted for 90 complaints, 9,318 confirmed violations, and \$1.08 million in unpaid wages.
- **Healthcare & Social Assistance:** Accounted for 45 complaints with 2,280 violations, with over \$435,000 reported in unpaid wages.
- **Other High-Risk Industries:** Construction, retail, and administrative services also had significant violations, with over \$662,000 in unpaid wages combined.

### d. Indicators of most vulnerable workers

Tracking the most vulnerable workers is a part of this Strategic Enforcement Plan. Experience has shown violations against the most vulnerable workers often reveals broader systemic problems in various industry sectors. The most vulnerable workers can be identified using several key indicators, which vary depending on economic, social, and workplace conditions. Some of the most common indicators include:

#### Economic Vulnerability

- **Low wages** – Workers earning below a living wage or at/near minimum wage.
- **Lack of benefits** – No access to healthcare, paid leave, or retirement plans.

- **Job insecurity** – High risk of layoffs, temporary contracts, or gig work.
- **Underemployment** – Working fewer hours than desired or in jobs below skill levels.

### **Workplace Conditions**

- **Unsafe working environments** – Exposure to hazardous materials, unsafe equipment, or lack of safety regulations.
- **High physical demands** – Jobs requiring excessive manual labor, lifting, or repetitive strain.
- **Workplace harassment or abuse** – Risk of exploitation, discrimination, or violence.
- **Lack of union representation** – No collective bargaining power to negotiate better conditions.

### **Legal and Social Status**

- **Migrant or undocumented workers** – Lack of legal protections, higher risk of exploitation.
- **Discrimination and exclusion** – Vulnerability due to gender, race, disability, or other marginalized identities.
- **Lack of legal recourse** – Difficulty accessing justice or reporting unfair treatment.

### **Sector-Specific Risks**

- **Agriculture, construction, caregiver, and gig economy** – Sectors with higher rates of informal employment, lower protections, and physical risk.

**Essential but undervalued jobs** – Workers in caregiving, retail, and food services often face poor conditions despite their critical roles.

### III. Enforcement Strategy for 2025

In 2025, the Maine Department of Labor's Bureau of Labor Standards (BLS) will implement a **Strategic Enforcement Plan** to enhance labor law compliance and protect workers' rights. This plan focuses on the following key strategies:

#### 1. Data-Driven Investigations

- **Risk Assessment:** Utilize data analytics to identify industries and employers with high risks of labor violations. This approach allows for the efficient allocation of resources to areas where non-compliance is most prevalent.
- **Predictive Modeling:** Develop models that forecast potential violations based on historical data, enabling proactive interventions.

#### 2. Maximize Deterrence

- **Transparent Enforcement:** Publicize enforcement actions and penalties to promote accountability and deter potential violators.
- **Industry-Specific Information:** Inform employers and industry organizations of the most common violations in their industry, along with resources to help with compliance.

#### 3. Proactive Compliance Assistance

- **Employer Education:** Offer training sessions and resources to help employers understand and comply with labor laws, reducing unintentional violations.
- **Consultation Services:** Provide on-site consultations to assist businesses in identifying and rectifying potential compliance issues before they result in violations.

#### 4. Strengthened Worker Outreach

- **Awareness Campaigns:** Launch initiatives to inform workers of their rights and the mechanisms available for reporting violations.
- **Accessible Reporting Channels:** Enhance and promote user-friendly platforms for workers to report violations, ensuring confidentiality and protection against retaliation.

#### 5. Collaborative Partnerships

- **Interagency Cooperation:** Work closely with other state and federal agencies to share information and coordinate enforcement efforts, maximizing impact.
- **Community Engagement:** Partner with worker advocacy groups and community organizations to gain insights into labor issues and extend the reach of enforcement activities.
- **Outreach Efforts with Business Community:** Collaborate with industry organizations, such as the NFIB, Chamber of Commerce, Hospitality Maine, and Retail Association, in order to maximize reach.

## 6. Continuous Monitoring and Evaluation

- **Performance Metrics:** Establish clear metrics to assess the effectiveness of enforcement strategies, such as, reduction in violations, increased compliance rates, and reduction in worker complaints.
- **Adaptive Strategies:** Regularly review enforcement data to refine approaches, ensuring responsiveness to emerging labor trends and challenges.

By integrating these strategies, the Maine BLS aims to ensure a fair and safe working environment where labor laws are upheld, workers' rights are protected throughout the state, and businesses have a level playing field.

The following table displays data on violations for the last three calendar years. Maine BLS will use multi-year data to develop its industry focus.

Figure 1: Number of Complaint and Violation Cases by Industry 2022-2024

Industry Group	Complaints Entered	Cases with Violations	Number of Violations	Workers Owed	Total Wages Owed	Avg Owed per Worker
72 - Accommodation and Food Services	224	90	9,318	588	\$ 1,085,747	\$ 1,847
62 - Health Care and Social Assistance	165	45	2,280	375	\$ 435,779	\$ 1,162
23 - Construction	71	22	2,751	137	\$ 363,990	\$ 2,657
44-45 - Retail Trade	99	35	2,057	105	\$ 147,455	\$ 1,404
56 - Administrative and Support and Waste Management and Remediation Services	72	18	580	51	\$ 150,723	\$ 2,955
31-33 - Manufacturing	47	17	454	106	\$ 70,882	\$ 669
81 - Other Services (except Public Administration)	38	15	3,291	37	\$ 47,695	\$ 1,289
48-49 - Transportation and Warehousing	59	13	574	25	\$ 98,547	\$ 3,942
54 - Professional, Scientific, and Technical Services	23	6	222	11	\$ 14,824	\$ 1,348
71 - Arts, Entertainment, and Recreation	20	6	278	7	\$ 8,861	\$ 1,266
11 - Agriculture, Forestry, Fishing and Hunting	18	5	178	5	\$ 4,404	\$ 881
42 - Wholesale Trade	24	5	52	1	\$ 1,817	\$ 1,817
53 - Real Estate and Rental and Leasing	12	5	18	7	\$ 12,390	\$ 1,770
61 - Educational Services	31	4	667	7	\$ 4,558	\$ 651
22 - Utilities	8	3	759	112	\$ 369,150	\$ 3,296
21 - Mining, Quarrying, and Oil and Gas Extraction	2	2	2	1	\$ 1,715	\$ 1,715
51 - Information	10	2	2	3	\$ 2,072	\$ 691
92 - Public Administration	18	2	7	5	\$ 7,377	\$ 1,475
52 - Finance and Insurance	8	1	1	1	\$ 256	\$ 256
55 - Management of Companies and Enterprises	4	1	2	3	\$ 6,553	\$ 2,184
Grand Total	953	297	23,493	1,587	\$ 2,834,795	\$ 1,786

As laid out in the table, the Accommodation and Food Service industry accounted for 9,318 violations involving 588 workers, and \$1.08 million in wages owed. The Health Care and Social Assistance industry accounted for 2,280 violations involving 375 workers, totaling \$435,779 in wages owed. The Construction industry accounted for 2751 violations involving 137 workers, totaling \$363,990 in wages owed. In total, these three industries account for roughly 61% of the violations from 2022-2024. The 2025 Strategic Enforcement Plan will focus on these top three industry sectors.

Maine BLS has developed a one-page notice that will be used to raise awareness of common violations in the Accommodation and Food Service Industry. This notice will be used at trade shows and distributed to industry employers to provide information on the common violations and the resources that Maine BLS has to help proactively reduce any violations. MDOL will send a copy of the one-pager to the Committee separately.

The Wage and Hour Division continues to offer compliance assistance courses, which cover wage and hour laws, including minimum wage, overtime, youth employment, severance pay, equal pay, and rest breaks. As of the date of this report, the following sessions are available for the remainder of 2025.

Registration is online at [www.safeteworksmaine.gov](http://www.safeteworksmaine.gov).

- Rockland: April 2, May 14, September 24, November 5
- Presque Isle: May 28
- Sanford: September 10
- Augusta: September 17
- Brewer: October 1
- Lewiston: October 15
- Freeport: October 29

In the coming year, in accordance with Section V of Department of Labor, Bureau of Labor Standards, Chapter 9: Rules Governing Administrative Civil Money Penalties for Labor Law Violations, the Bureau will direct 40% of enforcement resources to the Strategic Enforcement Plan. The remaining resources will be focused on day-to-day outreach, education, and enforcement in response to incoming complaints.