**§1495-B. Disclosure to employers**

**1. Generally.**

[PL 2003, c. 668, §3 (RP); PL 2003, c. 668, §12 (AFF).]

**2. Exception.**

[PL 2003, c. 668, §3 (RP); PL 2003, c. 668, §12 (AFF).]

**3. Periodic reports to employers.** On a regular basis not less frequently than quarterly, a payroll processor shall provide to each employer an accounting of:

A. Funds received from that employer; and [PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

B. The aggregate amounts disbursed for:

(1) Payroll;

(2) Each category of local, state and federal tax; and

(3) Unemployment compensation premiums. [PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

**4. Disclosure of methods of verification.** On a regular basis not less frequently than quarterly, a payroll processor shall clearly and conspicuously and in easily understood language disclose to each employer for which it provides payroll processing services the specific method or methods whereby each employer can contact state and federal tax and unemployment insurance authorities, including but not limited to Internet address and toll-free telephone number information, to verify that payments have been made and properly credited on behalf of the employer.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

**5. Disclosure of limitations of surety bond.** Whenever a payroll processor promotes, markets or advertises itself or its services and uses the phrase "bonded with the State" or "fully bonded" or other language that in the opinion of the administrator would lead an employer to believe that the bond coverage provides full compensation for potential losses should the payroll processor fail to make required payments or become insolvent, the payroll processor shall also include a clear and conspicuous disclaimer stating that use of the language referencing bonding does not signify or ensure that the bond will cover all potential claims if the payroll processor fails to comply with its responsibilities under this chapter. A payroll processor also shall provide this disclaimer to an employer before contracting for payroll processing services to that employer.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

**6. Notices of nonpayment to be sent to employers.** A payroll processor may not designate itself as the sole recipient of notices from state or federal authorities for nonpayment of taxes or unemployment insurance contributions. A payroll processor shall ensure that such notices are provided directly to the affected employers.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

**7. Exception.** A payroll processor that does not have the authority to access, control, direct, transfer or disburse a client's funds is not subject to this section.

[PL 2003, c. 668, §4 (NEW); PL 2003, c. 668, §12 (AFF).]

SECTION HISTORY

PL 1997, c. 495, §1 (NEW). PL 2003, c. 668, §§3,4 (AMD). PL 2003, c. 668, §12 (AFF).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

*All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 131st Maine Legislature and is current through January 1, 2025. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.*

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.