

MAINE STATE LEGISLATURE

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ONE HUNDRED AND ELEVENTH LEGISLATURE
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1984

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees of the Maine Legislature, covering the Second Regular Session of the 111th Legislature. The summaries are arranged alphabetically, and indexed separately by committee.

<u>LD</u>	<u>TITLE</u>	<u>SPONSOR</u>	(Committee Report) <u>DISPOSITION</u>
2338	AN ACT TO PROVIDE FOR REPAYMENT OF INTEREST CHARGES INCURRED ON FEDERAL ADVANCES TO THE UNEMPLOYMENT COMPENSATION FUND	Dutremble Gauvreau Brown Bonney	OTP-ND ND OF 2045 PL 1983, C. 738

SUMMARY: LD 2338, the redraft of LD 2045, along with House Amendment "A" establishes the Federal Advance Interest Fund and an assessment process to generate money to repay interest charges on federal advances to the state Unemployment Compensation Fund. Formerly interest-free, currently if advances are not repaid by the date due, a 10% interest charge is incurred. Under this statute the Commissioner of Labor may levy a special assessment on employers if it is probable that the advance will not be paid back in time to avoid interest charges and the Fund's balance is insufficient to pay the interest.

2341	AN ACT TO PROVIDE FOR FINANCIAL SOLVENCY IN THE UNEMPLOYMENT COMPENSATION FUND	Study bill	OTP-ND ND OF LD 2087 PL 1983, C. 753
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SUMMARY: LD 2087, the original proposal by the Unemployment Compensation Fund Study Commission, proposed several changes in the unemployment laws to avert a projected financial crisis: a) raise taxable wage base; b) increase penalties for disqualification for voluntary quit, misconduct, or crime; c) raise tax rates for negative balance employers; and d) during 1985-1987, assess a "sliding scale" surtax on employers.

After the Department of Labor issued new projections of a much lower deficit in the Fund, the Committee voted out a new draft, LD 2341. This bill makes fewer changes in the statutes: a) increases the penalty for a disqualification for crime, b) meets federal requirements that the "standard rate" be raised to 5.4%, and c) raises tax rates for negative balance employers whose former employees draw more benefits than the employer has paid in taxes, a change which also satisfies the new federal requirement that the maximum tax rate in all schedules be at least 5.4%.

2422	AN ACT RELATIVE TO TIME OF PAYMENT UNDER THE MAINE LABOR LAW	McCollister	OTP-ND ND OF LD 2278 PL 1983, C. 778
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SUMMARY: Original LD 2278 required every employer to pay employees on a weekly basis unless specifically exempted by statute. The redraft, LD 2422, does not require any employers to pay weekly other than those already required to do so by law. Instead, it requires employers who fail to make full payment of wages to a nonsalaried employee in a given pay period to pay the balance of those wages within the succeeding pay period.