

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 425

S. P. 156

In Senate, January 28, 1971

Referred to Committee on Labor. Sent down for concurrence and ordered printed.

HARRY N. STARBRANCH, Secretary

Presented by Senator Conley of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

**AN ACT to Extend Unemployment Compensation Benefits during High
Periods of Unemployment.**

Emergency preamble. Whereas, Acts passed by the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the State is experiencing a high rate of unemployment and a limited labor market; and

Whereas, many who are now unemployed have exhausted their unemployment benefits; and

Whereas, many who are now unemployed and receiving unemployment compensation will exhaust their benefits; and

Whereas, on August 10, 1970 the 91st Congress of the United States enacted Public Law 91-373 cited as the "Employment Security Amendments of 1970"; and

Whereas, said Public Law 91-373 contains provisions relating to the payment of extended unemployment benefits to individuals who are unemployed and who have exhausted their rights to unemployment benefits under the provisions in the state law or the laws of any other state or of the Federal Government; and

Whereas, said Public Law 91-373 provides that the State shall be reimbursed by the Secretary of Labor of the United States an amount equal to $\frac{1}{2}$ of the sum of extended benefits paid to such individuals; and

Whereas, it is vitally necessary that the following legislation be enacted to extend to the unemployed people of this State a measure of further protection against the serious social consequences and the economic insecurity due to unemployment; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

R. S., T. 26, § 1195, additional. Title 26 of the Revised Statutes is amended by adding a new section 1195, to read as follows:

§ 1195. Extended benefits

1. Definitions. Notwithstanding any other provisions of this chapter, the following words, as used in this section, shall have the following meanings, unless the context clearly requires otherwise:

A. Exhaustee. "Exhaustee" means an individual who, with respect to any week of unemployment in his eligibility period:

(1) Has received, prior to such week, all of the regular benefits that were available to him under this chapter or any other state law, including dependents' allowances and benefits payable to federal civilian employees and ex-servicemen under 5 U. S. C. Chapter 85, in his current benefit year that includes such week; provided that for the purposes of this paragraph, an individual shall be deemed to have received all of the regular benefits that were available to him although as a result of a pending appeal with respect to wages or employment, or both, that were not considered in the original monetary determination in his benefit year, he may subsequently be determined to be entitled to added regular benefits, or he may be entitled to regular benefits with respect to future weeks of unemployment, but such benefits are not payable with respect to such week of unemployment by reason of section 1251;

(2) His benefit year having expired prior to such week, has no, or insufficient wages or employment, or both, to establish a new benefit year or, subsequent to December 31, 1971, he does not qualify by having sufficient wages or employment, or both, as provided by section 1192, subsection 5, since the beginning of his prior benefit year; and

(3) Has no right to unemployment benefits or allowances, as the case may be, under the Railroad Unemployment Insurance Act, the Trade Expansion Act of 1962, the Automotive Products Trade Act of 1965 and such other federal laws as are specified in regulations issued by the United State Secretary of Labor; and has not received and is not seeking unemployment benefits under the unemployment compensation law of the Virgin Islands or of Canada; but if he is seeking such benefits and the appropriate agency finally determines that he is not entitled to benefits under such law he is considered an exhaustee.

B. Eligibility period. "Eligibility period" of an individual means the period consisting of the weeks in his benefit year which begins in an extended benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such period.

C. Extended benefit period. "Extended benefit period" means a period which;

(1) Begins with the 3rd week after whichever of the following weeks occurs first:

(a) A week for which there is a national "on" indicator; or

(b) A week for which there is a state "on" indicator; and

(2) Ends with either of the following weeks, whichever occurs later:

(a) The 3rd week after the first week for which there is both a national "off" indicator and a state "off" indicator; or

(b) The 13th consecutive week of such period; provided that no extended benefit period may begin by reason of a state "on" indicator before the 14th week following the end of a prior extended benefit period which was in effect with respect to this State; and provided further that no extended benefit period may become effective in this State prior to October 11, 1970 in accordance with the Federal-State Extended Unemployment Compensation Act of 1970 and that, within the period beginning with the Sunday of the week in which this section becomes effective and ending on December 31, 1971, an extended benefit period may become effective and be terminated in this State solely by reason of a state "on" and a state "off" indicator, respectively.

D. Extended benefits. "Extended benefits" means benefits, including benefits payable to federal civilian employees and to ex-servicemen pursuant to U. S. C. Chapter 85, payable to an individual under this section for weeks of unemployment in his eligibility period.

E. National "off" indicator. There is a "national 'off' indicator" for a week if the United States Secretary of Labor determines that for each of the 3 most recent completed calendar months ending before such week, the rate of insured unemployment, seasonally adjusted, for all states was less than 4.5%.

F. National "on" indicator. There is a "national 'on' indicator" for a week if the United States Secretary of Labor determines that for each of the 3 most recent completed calendar months ending before such week, the rate of insured unemployment, seasonally adjusted, for all states equaled or exceeded 4.5%

G. Rate of insured unemployment. "Rate of insured unemployment" for purposes of paragraphs I and H means the percentage derived by dividing the average weekly number of individuals filing claims in this State for weeks of unemployment with respect to the most recent 13-consecutive-week period, as determined by the commission on the basis of its reports

to the United States Secretary of Labor, by the average monthly employment covered under this chapter for the first 4 of the most recent 6 completed calendar quarters ending before the end of such 13-week period. Computations required by this paragraph shall be made by the commission, in accordance with regulations prescribed by the United States Secretary of Labor.

H. State "off" indicator. There is a "state 'off' indicator" for this State for a week if the commission determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment, not seasonally adjusted, under this chapter:

(1) Was less than 120% of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar years, or

(2) Was less than 4%.

I. State "on" indicator. There is a "state 'on' indicator" for this State for a week if the commission determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of such week and the immediately preceding 12 weeks, the rate of insured unemployment, not seasonally adjusted under this chapter:

(1) Equaled or exceeded 120% of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar years, and

(2) Equaled or exceeded 4%.

J. Regular benefits. "Regular benefits" means benefits payable to an individual under this chapter or under any other state law, including benefits payable to federal civilian employees and to ex-servicemen pursuant to 5 U. S. C. Chapter 85, other than extended benefits.

K. State law. "State law" means the unemployment compensation or employment security law of any state, approved by the United States Secretary of Labor under section 3304 of the Internal Revenue Code of 1954.

2. Effect of state law provisions relating to regular benefits on claims for, and the payment of, extended benefits. Except when the result would be inconsistent with the other provisions of this subchapter, as provided in the regulations of the commission, the provisions of this chapter which apply to claims for, or the payment of, regular benefits shall apply to claims for, and the payment of, extended benefits.

3. Eligibility requirements for extended benefits. An individual shall be eligible to receive extended benefits with respect to any week of unemployment in his eligibility period only if the commission finds that with respect to such week:

A. He is an "exhaustee" as defined in subsection 1, paragraph A;

B. He has satisfied the requirements of this chapter for the receipt of regular benefits that are applicable to individuals claiming extended bene-

fits, including not being subject to a disqualification for the receipt of benefits.

4. **Weekly extended benefit amount.** The weekly extended benefit amount payable to an individual for a week of total unemployment in his eligibility period shall be an amount equal to the weekly benefit amount payable to him during his applicable benefit year.

5. **Total extended benefit amount.** The total extended benefit amount payable to any eligible individual with respect to his applicable benefit year shall be the lesser of the following amounts:

A. Fifty percent of the total amount of regular benefits which were payable to him under this chapter in his applicable benefit year; or

B. Thirteen times his weekly benefit amount which was payable to him under this chapter for a week of total unemployment in the applicable benefit year; or

C. Thirty-nine times his weekly benefit amount which was payable to him under this chapter for a week of total unemployment in the applicable benefit year, reduced by the total amount of regular benefits which were paid, or deemed paid, to him under this chapter with respect to the benefit year.

6. **Experience rating charges.** The state portion of extended benefits paid under this subchapter shall be charged to the General Fund.

7. **Beginning and termination of extended benefit period.** Whenever an extended benefit period is to become effective in this State, or in all states, as a result of a state or a national "on" indicator, or an extended benefit period is to be terminated in this State as a result of a state "off" indicator or state and national "off" indicators, the commission shall make an appropriate public announcement.

8. **Administration.** In the administration of the provisions of this section which are enacted to conform with the requirements of the Federal-State Extended Unemployment Compensation Act of 1970, the commission shall take such action as may be necessary to ensure that the provisions are so interpreted and applied as to meet the requirements of such Federal Act as interpreted by the United States Department of Labor, and to secure to this State the full reimbursement of the federal share of extended and regular benefits paid under this chapter that are reimbursable under the Federal Act.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

The purpose of this bill is to extend unemployment insurance benefits during period of high unemployment to claimants who have exhausted their benefits.