

MAINE STATE LEGISLATURE

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(EMERGENCY)

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 932

H. P. 758

House of Representatives, March 6, 1975

Approved for introduction by a Majority of the Committee on Reference of Bills pursuant to Joint Rule 10. Referred to the Committee on Labor. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Hobbins of Saco.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT to Enable the State to Recover 100% of the Cost of Extended Benefits under Certain Conditions as Provided by Federal Legislation.

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

Whereas, the number of unemployed in the State is increasing at a rapid rate in a limited labor market; and

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

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

Whereas, on December 31, 1974, the 93rd Congress of the United States enacted Public Law 93-572, Emergency Unemployment Compensation Act of 1974; and

Whereas, said Public Law 93-572 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 93-572 provides that the State shall be reimbursed by the Secretary of Labor of the United States in an amount equal to

100% of the sum of extended benefits paid to such individuals under certain conditions; and

Whereas, on March 24, 1971, the 105th Legislature enacted public law, chapter 119 to provide for extended unemployment benefits; and

Whereas, on December 31, 1974, the 93rd Congress of the United States enacted an amendment to the "Federal-State Extended Unemployment Compensation Act of 1970" to allow states with enabling legislation to disregard the 120% provision for state "on" and "off" indicators and to reduce the National "on" and "off" indicators from 4.5% to 4.0% in payment of extended benefits; and

Whereas, this is temporary legislation and applies to weeks beginning after December 31, 1973, and for weeks beginning before December 31, 1976; 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:

Sec. 1. 26 MRSA § 1195, sub-§ 1, ¶ G, as last amended by PL 1973, c. 753, § 1, is repealed and the following enacted in place thereof:

G. Rate of insured unemployment. "Rate of insured unemployment" for purposes of paragraphs H and I 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.

Sec. 2. 26 MRSA § 1195, sub-§ 1, ¶ L, as enacted by PL 1973, c. 753, § 2, is repealed and the following enacted in place thereof:

L. Notwithstanding any other provisions of this chapter, and effective with respect to compensation for weeks of unemployment beginning before December 31, 1976, and beginning after December 31, 1973, the determination of whether there has been:

(1) A state "off" indicator ending an extended benefit period shall be made under this subsection as if paragraph H did not contain subparagraph (1);

(2) A state "on" indicator beginning an extended benefit period shall be made under this subsection as if paragraph I did not contain subparagraph (1).

Sec. 3. 26 MRSA § 1195, sub-§ 1, ¶ M, as enacted by PL 1973, c. 753, § 3, is repealed and the following enacted in place thereof:

M. Notwithstanding any other provisions of this chapter, and effective with respect to compensation for weeks of unemployment beginning before December 31, 1976, and beginning after December 31, 1974, the determination of whether there has been:

(1) A National "off" indicator ending any extended benefit period shall be made under this subsection as if the "4.5%" contained in paragraph E read "4%";

(2) A National "on" indicator beginning an extended benefit period shall be made under this subsection as if the "4.5%" contained in paragraph F read "4%."

Sec. 4. 26 MRSA § 1195, sub-§ 9 is enacted to read:

9. Notwithstanding any other provisions of this chapter, no employer's experience rating account shall be charged, and no employer shall be liable for payments in lieu of contributions, with respect to extended benefit payments which are wholly reimbursed to the State by the Federal Government.

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

STATEMENT OF FACT

This is enabling legislation to provide the same national indicator that governs the State's payment of extended benefits and to reinstate the waiver of the 120% requirement in the State indicator which will permit the State's payment of extended and sharable regular benefits under certain conditions to be 100% federally funded. This also provides for the noncharging to contributing employers and nonassessing of employers liable for reimbursement in lieu of contributions for benefits paid that are 100% federally funded.