

## ONE HUNDRED AND SEVENTH LEGISLATURE

## Legislative Document

No. 1822

S. P. 493

In Senate, April 14, 1975 Reported by Senator Pray of Penobscot from Committee on Labor and printed under Joint Rules No. 18.

HARRY N. STARBRANCH, Secretary

## STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FIVE

AN ACT Relating to a Close Corporation Under the Unemployment Compensation Laws.

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

Sec. 1. 26 MRSA § 1043, sub-§ 17, ¶ A, as last amended by PL 1965, c. 217, § 1, is further amended to read :

**A.** An individual, including corporate officers, shall be deemed "totally unemployed" in any week with respect to which no wages are payable to him and during which he performs no services, except that remuneration payable or received as holiday pay shall not be deemed wages for the purpose of this subsection and except that any amounts received from the Federal Government by members of the National Guard and organized reserve, including base pay and allowances, or any amounts received by volunteer firemen, shall not be deemed wages for the purpose of this subsection.

Sec. 2. 26 MRSA § 1043, sub-§ 17, ¶ B, as last amended by PL 1973, c. 555, § 10, is further amended to read :

**B.** An individual, including corporate officers, shall be deemed "partially unemployed" in any week of less than full-time work if his wages from any source for such week are not \$5 or more in excess of the weekly benefit amount he would be entitled to receive if totally unemployed and eligible, except that remuneration payable or received as holiday pay shall not be deemed wages for the purpose of this subsection and except that any amounts received from the Federal Government by members of the National Guard and organized reserve, including base pay and allowances, or any amounts received as a volunteer fireman, shall not be deemed wages for the purpose of this subsection.

## STATEMENT OF FACT

The purpose of this amendment is to overrule an administrative decision by the Maine Employment Security Commission by which the mere status of being a corporation officer is grounds for denying unemployment benefits. Under this amendment, any corporate officer for whom unemployment tax was appropriately paid and who meets other current conditions of eligibility will be eligible to collect unemployment insurance.