

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES (Filing No. H-1009)  
107TH LEGISLATURE  
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to H.P. 2148, L.D. 2287, Bill,  
"AN ACT to Strengthen the State Unemployment Trust Fund."

Amend said Bill in section 1 by striking out in the  
5th line after the amending clause (4th line in L.D.) the  
stricken out word "~~subsequent~~" and inserting in place  
thereof the word 'subsequent'

Further amend said Bill in section 1 by striking out  
in the last 2 lines (same in L.D.) the underlined words and figures  
"through 1975 and \$6,000 in any subsequent calendar year" and  
inserting in place thereof the following words, figures and  
punctuation '; provided, on and after January 1, 1977 and for  
any calendar year thereafter when the net balance available for  
payments, as defined in section 1221, is less than \$35,000,000  
for the fiscal year beginning on the first day of July next  
preceding, "annual payroll" as defined in this subsection shall  
not include that part of individual wages or salaries in excess  
of \$6,000'

Further amend said Bill in section 2 by striking out  
everything after the amending clause and inserting in place  
thereof the following:

'For purposes of section 1221, the term "wages" shall not include  
that part of remuneration which after remuneration equal to  
\$3,000 through December 31, 1971 ;and on and after January 1, 1972

that part of remuneration equal to \$4,200; and on and after January 1, 1977 and provided, that for any calendar year thereafter when the net balance available for payments, as defined in section 1221, is less than \$35,000,000 for the fiscal year beginning on the first day of July next preceding, that part of remuneration equal to \$6,000; has been paid in a calendar year to an individual by an employer or his predecessor with respect to employment during any calendar year, is paid to such individual by such employer during such calendar year, unless that part of the remuneration is subject to a tax under a federal law imposing a tax against which credit may be taken for contributions required to be paid into a state unemployment fund.'

Further amend said Bill in section 5 in subsection 1 of that part designated "§1196." by striking out in the first and 4th lines (1st and 3rd lines of L.D.) the underlined figures "\$30,000,000" and inserting in place thereof the underlined figures '\$35,000,000'

Further amend said Bill in section 5 in subsection 2 of that part designated "§1196." by striking out in the first and 4th lines (1st and 3rd lines of L.D.) the underlined figures "\$30,000,000" and inserting in place thereof the underlined figures '\$35,000,000'

Further amend said Bill in section 7 by striking out everything after the amending clause and inserting in place thereof the following:

'The following table will apply for each 12-month period commencing July 1st of each year as determined by paragraph C;

provided, that on and after January 1, 1977 and for any calendar year thereafter when the net balance available for payments, as defined in section 1221, is less than \$35,000,000 for the fiscal year beginning on the first day of July next preceding, the commissioner shall increase such rates by .5% for such calendar year.'

Statement of Fact

The purpose of this amendment is to provide that the .5% employer tax increase and the increase in the taxable wage base from \$4,200 to \$6,000 shall take place only after January 1, 1977 and shall be in effect only in those calendar years which follow fiscal years during which the amount available for payments in the State Trust Fund is less than \$35,000,000. The amendment also raises the "trigger" for the employee tax from \$30,000,000 to \$35,000,000.

Reported by the Minority of the Committee on Labor.

Reproduced and distributed under the direction of the Clerk of the House.

3/22/76

(Filing No. H-1009)