

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 678

H. P. 601

House of Representatives, February 5, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Tarbell of Bangor.

Cosponsors: Representative Foster of Ellsworth and Senator Brown of Washington.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

**AN ACT Concerning Reimbursement Payments for Unemployment Benefits
Where Claimants have Resigned, have Retired or have been Discharged.**

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

26 MRSA § 1221, sub-§ 10, ¶ H is enacted to read:

H. Any employer or governmental entity who elects to make payments in lieu of contributions into the Unemployment Compensation Fund as provided in this section is not liable to make payments with respect to benefits paid to any individual who is initially disqualified from benefits under section 1193, subsection 1, 2 or 7.

STATEMENT OF FACT

This bill will treat nonprofit organizations and governmental entities who elect to become direct reimbursers to the Unemployment Compensation Fund the same as all other employers in instances where the employee's termination of employment is the result of the employee's own actions. Under current law, employers paying unemployment tax are relieved of any charge to experience rating in instances where termination of employment is the result of an employee's actions. However, the direct reimburser is directly assessed in situations where termination of employment is not its fault.