

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES (Filing No. H-291)
110TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT" *A* " to H.P. 641, L.D. 763, Bill,
"AN ACT to Protect the Integrity of the Unemployment Com-
pensation Fund."

Amend the Bill by striking out everything after the
enacting clause and inserting in its place the following:

'Sec. 1. 26 MRSA §1043, sub-§2, as last amended by
PL 1977, c. 570, §2, is further amended to read:

2. Annual payroll. "Annual payroll" means the total
amount of wages paid by an employer during a calendar year,
not meaning, however, to include that part of individual
wages or salaries in excess of \$3,000 in any calendar year
through 1971, \$4,200 in any calendar year through 1977 and ,
\$6,000
in any subsequent calendar year through December 31, 1981,
and in any subsequent calendar year the larger of that part
of remuneration which exceeds 2/3 the average annual wage for
the 2nd preceding calendar year, rounded to the nearest hundred
dollars
or that part of remuneration which is subject to the Federal
Unemployment Tax Act, Public Law 95-216.

Sec. 2. 26 MRSA §1043, sub-§19, ¶A, first sentence,
as amended by PL 1977, c. 570, §18, is further amended to read:
For purposes of section 1221, the term "wages" shall not in-

clude that part of remuneration which after remuneration equal to \$3,000 through December 31, 1971, \$4,200 through December 31, 1977, ~~and on and after January 1, 1978 that part of remuneration equal to~~ \$6,000 has been through December 31, 1981, and, on and after January 1, 1982, that part of remuneration which exceeds 2/3 the average annual wage for the 2nd preceding calendar year, rounded to the nearest hundred dollars / or that part of remuneration which is subject to the Federal Unemployment Tax Act, Public Law 95-216, 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.'

Statement of Fact

Where the original bill sought to protect the fund by increasing the wage base, the amended form would accomplish this objective by instituting a flexible wage base, such as is presently being used in many other states.

The amended bill would contribute significantly to the integrity of the fund at a time when the economy necessitates this protection.

Reported by the Minority of the Committee on Labor.
Reproduced and distributed under the direction of the Clerk of the House.