

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES (Filing No. H-215)  
110TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 664, L.D. 768, Bill, "AN ACT to Provide for Recovery of Unemployment Compensation Overpayments over a Reasonable Period of Time."

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

'26 MRSA §1051, sub-§7 is enacted to read:

7. Limitation on recovery. Deduction from benefits that may be or may become payable to an individual as provided for in subsection 5 shall be limited to not more than 10% of any weekly benefit payment otherwise due the claimant.

Fiscal Note

The department estimates that \$212,000 annually is collected through deductions from future benefits, and that the original bill would mean the loss of \$131,000 annually in collections through the deduction method. It estimates further that 44% of recoveries made by deduction are for fraud cases. Using this estimate, approximately \$73,400 would be lost to recovery by this method.

Two other methods besides deductions are used by the department to recover overpayments, the civil action and the special warrant procedure. While at least some portion of the \$73,400 figure could be recovered through these procedures, the increased time and effort would presumably result in some additional costs.'

Statement of Fact

This amendment completely removes and replaces the original language of L.D. 768. It accomplishes the same purpose as did the original bill but limits its benefits to only those claimants whose unemployment compensation overpayments are determined to have been made erroneously. It excludes from coverage all persons who were overpaid as a result of nondisclosure or misrepresentation.

Reported by the Committee on Labor.  
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