

MAINE STATE LEGISLATURE

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(EMERGENCY)

FIRST REGULAR SESSION

ONE HUNDRED AND ELEVENTH LEGISLATURE

Legislative Document No. 531

H.P. 438 House of Representatives, February 1, 1983

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EDWIN H. PERT, Clerk

Presented by Representative Beaulieu of Portland.

STATE OF MAINE

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

**AN ACT to Amend the Employment Security
Law as Required by the Tax Equity and Fiscal
Responsibility Act of 1982.**

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the United States Tax Equity and Fiscal Responsibility Act of 1982 passed by Congress and signed by the President requires changes in the Employment Security Law effective in calendar year 1983; and

Whereas, if the State fails to comply with federal law, it will be unable to meet its responsibility for the administration of the unemployment compensation program; and

1 Whereas, severe economic and personal hardship
2 affecting thousands of Maine citizens would result if
3 state law were not amended in the timely fashion re-
4 quired by federal law; and

5 Whereas, in the judgment of the Legislature,
6 these facts create an emergency within the meaning of
7 the Constitution of Maine and require the following
8 legislation as immediately necessary for the preser-
9 vation of the public peace, health and safety; now,
10 therefore,

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

13 Sec. 1. 26 MRSA §1043, sub-§2, as amended by PL
14 1977, c. 570, §2, is further amended to read:

15 2. Annual payroll. "Annual payroll" means the
16 total amount of wages paid by an employer during a
17 calendar year, not meaning, however, to include that
18 part of individual wages or salaries in excess of
19 \$3,000 in any calendar year through 1971, \$4,200 in
20 any calendar year through 1977 and, \$6,000 in any
21 subsequent calendar year through 1982 and \$7,000 in
22 any subsequent calendar year.

23 Sec. 2. 26 MRSA §1043, sub-§19, ¶A, as amended
24 by PL 1977, c. 570, §18, is further amended to read:

25 A. For purposes of section 1221, the term
26 "wages" shall not include that part of remunera-
27 tion which after remuneration equal to \$3,000
28 through December 31, 1971, \$4,200 through Decem-
29 ber 31, 1977, and on and after January 1, 1978
30 that part of remuneration equal to \$6,000 through
31 December 31, 1982, and on and after January 1,
32 1983, that part of remuneration equal to \$7,000
33 has been paid in a calendar year to an individual
34 by an employer or his predecessor with respect to
35 employment during any calendar year, is paid to
36 such the individual by such the employer during
37 such that calendar year, unless that part of the
38 remuneration is subject to a tax under a federal
39 law imposing a tax against which credit may be
40 taken for contributions required to be paid into
41 a state unemployment fund. The wages of an indi-

1 vidual for employment with an employer shall be
2 subject to this exception whether earned in this
3 State or any other state when the
4 employer-employee relationship is between the
5 same legal entities;

6 Sec. 3. 26 MRSA §1191, sub-§2, as amended by PL
7 1981, c. 342, §1, is further amended to read:

8 2. Weekly benefit amount for total unemployment.
9 Each eligible individual establishing a benefit year
10 on and after ~~January 17, 1972~~ October 1, 1983, who is
11 totally unemployed in any week shall be paid with
12 respect to ~~such that~~ such the week, benefits equal to 1/22 of
13 the wages, rounded to the nearest ~~dollar~~ lower full
14 dollar amount, paid to him in the high quarter of his
15 base period, but not less than \$12. The maximum
16 weekly benefit amount for claimants requesting
17 insured status determination beginning October 1,
18 1983, and thereafter from June 1st of a calendar year
19 to May 31st of the next calendar year shall not
20 exceed 52% of the annual average weekly wage, rounded
21 to the nearest ~~dollar~~ lower full dollar amount, paid
22 in the calendar year preceding June 1st of such that
23 calendar year.

24 The amount of benefits payable to an eligible indi-
25 vidual with respect to any week of total unemployment
26 shall be reduced by the amount of any holiday pay
27 which the individual has received or is entitled to
28 receive for that week.

29 Sec. 4. 26 MRSA §1191, sub-§3, as amended by PL
30 1981, c. 342, §2, is further amended to read:

31 3. Weekly benefit for partial unemployment.
32 Each eligible individual who is partially unemployed
33 in any week shall be paid with respect to ~~such the~~ such the
34 week a partial benefit in an amount equal to this
35 weekly benefit amount less that part of his earnings,
36 including holiday pay, paid or payable to him with
37 respect to ~~such the~~ such the week which is in excess of \$10
38 plus any fraction of a dollar, except that any
39 amounts received from the Federal Government by mem-
40 bers of the National Guard and organized reserve,
41 including base pay and allowances or any amounts
42 received as a volunteer fireman or as elected members

1 of the Legislature, shall not be deemed wages for the
2 purpose of this subsection.

3 On and after January 1, 1978, each eligible indi-
4 vidual who, affirmatively terminated from his regular
5 employment for a period in excess of 4 consecutive
6 calendar weeks, is employed less than 40 hours for a
7 period not exceeding 2 consecutive calendar weeks or
8 performs odd jobs shall be paid an amount equal to
9 his weekly benefit amount less:

10 A. 50% of his earnings paid or payable to him
11 with respect to such that week in excess of \$10
12 up to \$35, ~~plus any fraction of a dollar~~; and

13 B. 100% of his earnings paid or payable to him
14 with respect to such that week in excess of \$35,
15 ~~plus any fraction of a dollar~~.

16 Sec. 5. 26 MRSA §1191, sub-§6, as amended by PL
17 1975, c. 720, is further amended to read:

18 6. Supplemental weekly benefit for dependents.
19 An individual in total or partial unemployment and
20 otherwise eligible for benefits shall be paid for
21 each week of such that unemployment, in addition to
22 the amounts payable under subsections 2 and 3, the
23 sum of \$5 for each unemancipated child of such the
24 individual who in any part of the benefit year and
25 during any part of such the individual's period of
26 eligibility is, in fact, dependent upon and is being
27 wholly or mainly supported by such the individual,
28 and who is under the age of 18, or who is 18 years of
29 age or over and incapable of earning wages because of
30 mental or physical incapacity, or who is a full-time
31 student as defined in Title 39, section 2, subsection
32 4, paragraph C, or who is in his custody pending the
33 adjudication of a petition filed by such the indi-
34 vidual for the adoption of such the child in a court
35 of competent jurisdiction and for each such child for
36 whom he is under a decree or order from a court of
37 competent jurisdiction to contribute to such that
38 child's support and for whom no other person is
39 receiving allowances hereunder. In no instance ~~shall~~
40 may the dependency benefits as provided in this sub-
41 section be more than 50% of the individual's weekly
42 benefit amount ~~except that if such amount of depen-~~

1 dependency benefits includes a fractional part of a
2 dollar, it shall be raised to the next highest
3 dollar.

4 The commission shall prescribe regulations as to who
5 may receive a dependency allowance when both the hus-
6 band and wife are eligible to receive unemployment
7 compensation benefits.

8 No individual shall may be eligible to receive depen-
9 dency allowances as provided in this subsection for
10 any week during which his or her spouse is employed
11 full time provided that such the spouse is contribut-
12 ing some support to their dependent or dependents.
13 For purposes of the preceding sentence this subsection,
14 "employed full time" shall mean means the
15 receipt of any wages, earnings, salary or other
16 income equivalent to that amount which would be
17 received for a 40-hour work week.

18 Sec. 6. 26 MRSA §1191, sub-§8 is enacted to
19 read:

20 8. Unemployment compensation; rounded to lowest
21 dollar amount. Notwithstanding any other provisions
22 of this law to the contrary, any amount of unemploy-
23 ment compensation payable to any individual for any
24 week if not an even dollar amount, shall be rounded
25 to the next lower full dollar amount.

26 Sec. 7. 26 MRSA §1192, sub-§7, ¶B, as amended by
27 PL 1977, c. 585, §2, is further amended to read:

28 B. With respect to weeks of unemployment begin-
29 ning after ~~December 31, 1977~~ September 3, 1982,
30 in any other capacity for an educational institu-
31 tion, ~~other than an institution of higher educa-~~
32 ~~tion as defined in section 1043, subsection 25,~~
33 benefits shall not be paid on the basis of ~~such~~
34 ~~those~~ services to any individual for any week
35 which commences during a period between 2 succes-
36 sive academic years or terms if ~~such the~~ indi-
37 vidual performs ~~such those~~ services in the first
38 of ~~such the~~ academic years or terms and there is
39 annual written reasonable assurance that ~~such the~~
40 individual will perform ~~such the~~ services in the
41 2nd of ~~such that~~ academic year or terms; ~~and~~

1 except that if benefits are denied to any indi-
2 vidual under this paragraph and the individual
3 was not offered an opportunity to perform the
4 services for the educational institution for the
5 2nd of those academic years or terms, the indi-
6 vidual shall be entitled to a retroactive payment
7 of benefits for each week for which the indi-
8 vidual filed a timely claim for benefits and for
9 which benefits were denied solely by reason of
10 this paragraph;

11 Sec. 8. 26 MRSA §1193, sub-§5, as amended by PL
12 1981, c. 149, §§1 and 2, is further amended to read:

13 5. Receiving remuneration. For any week with
14 respect to which he is receiving, is entitled to
15 receive or has received remuneration in the form of:

16 A. Dismissal wages or wages in lieu of notice or
17 terminal pay or vacation pay; or

18 B. Benefits under the unemployment compensation
19 or employment security law of any state or simi-
20 lar law of the United States;

21 If such the remuneration under paragraph A is less
22 than the benefits which would otherwise be due under
23 this chapter, he shall be entitled to receive for
24 such that week, if otherwise eligible, benefits
25 reduced by the amount of such the remuneration, pre-
26 vided that any fraction of a dollar included in the
27 weekly remuneration received shall be disregarded
28 rounded to the nearest lower full dollar amount;

29 Emergency clause. In view of the emergency cited
30 in the preamble, this Act shall take effect when
31 approved.

32 STATEMENT OF FACT

33 This bill is required for conformity with federal
34 requirements as enacted by Congress under United
35 States Public Law 97-248, the United States Tax
36 Equity and Fiscal Responsibility Act of 1982.

1 Sections 1 and 2 increase the amount of an
2 employer's payroll wages paid to an employee which
3 are subject to unemployment compensation contribu-
4 tions from \$6,000 to \$7,000, beginning in 1983.

5 Sections 3, 4, 5, 6 and 8 will reduce benefit
6 amounts paid to claimants to the next lowest dollar
7 in cases where a fraction of a dollar results from
8 benefit computation through the appropriate formula.

9 Section 7 allows retroactive benefit payments to
10 nonprofessional employees of institutions of higher
11 learning for weeks subsequent to September 3, 1982,
12 if all other criteria are met.

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