MAINE STATE LEGISLATURE

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Legislativ	e Document				N	o. 978
S.P. 333				In Se	nate, March 3	, 1983
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oracion pro			JOY J. O'	BRIEN, Sec	retary of the	Senate
Cospo	by Senator Bald onsors: Represer d, and Represer	itative Noi	ton of Bide		resentative Be	aulieu
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2	AN ACT to C		the Adm ment of		ion of	
Be it en	nacted by t	the Peop	ole of t	he State	of Maine	as
Sec. replaced to read	. 1. 2 MF d by PL 198 :	RSA §6	, sub-§ 705, Pt.	5, as L, §§1-	repealed 3, is ame	and nded
	Range 86. officials range 86:	The and er		s of t shall		
Dire	ector of La	abor Sta	andards;			
Depu	uty Chief o	of the S	State Po	lice;		
Dire	ector of St	ate Loi	teries;			

- State Archivist;
- 2 Director of Maine Geological Survey;
- 3 Executive Director, Maine Land Use Regulation 4 Commission; and
- 5 Chairman, Maine Employment Security Unemployment 6 Insurance Commission.
- 7 Sec. 2. 2 MRSA §6, sub-§6, as repealed and 8 replaced by PL 1981, c. 705, Pt. L, §§1-3, is amended to read:
- 10 6. Range 85. The salaries of the following 11 state officials and employees shall be within salary 12 range 85:
- Director of Veterans' Services;
- 14 Director of Civil Emergency Preparedness;
- Executive Director, Historic Preservation Commission;
- Members, Maine Employment Security Unemployment
 Insurance Commission; and
- 19 Deputy Adjutant General (Director of Military 20 Bureau).
- 21 Sec. 3. 26 MRSA §1043, sub-§7, as amended by PL 22 1979, c. 651, §§5 and 47, is further amended to read:
- 7. Commission. "Commission" means the 3-member Employment Security Unemployment Insurance Commission.
- 26 Sec. 4. 26 MRSA §1045, sub-§1 is amended to 27 read:
- 1. <u>Civil actions.</u> In any civil action to enforce this chapter, the commission <u>bureau</u> and the State may be represented by any qualified attorney who is employed by the commission <u>bureau</u> and designated by it for this purpose or at the commission's <u>commissioner's</u> request by the Attorney General.

- Sec. 5. 26 MRSA §1051, sub-§5, as amended by PL 1981, c. 327, is further amended to read:
- 3 Refusal to repay erroneous payments; waiver of repayment. If, after due notice, any person refuses to repay amounts erroneously paid to him as 4 5 6 unemployment benefits, the amounts due from that 7 person shall be collectible in the manner provided in 8 subsection 6 or in the discretion of the commission 9 the amount erroneously paid to such person may be 10 deducted from any future benefits payable 11 under this chapter. Provided that, in accordance with regulations of the commission, there shall be no 12 recovery of payments from any person who, 13 14 judgment of at least 2 commissioners, in the determination of a deputy, is without fault on his part and 15 16 where, in the judgment of the commission, such that 17 recovery would defeat the purpose of benefits other-18 wise authorized or would be against equity and good 19 No recovery may be attempted until the conscience. 20 determination of an erroneous payment is final as and fact and the individual has been notified by 21 22 a deputy of the opportunity for a waiver under this 23 subsection.
- 24 Sec. 6. 26 MRSA §1051, sub-§6, ¶A, as enacted by PL 1977, c. 460, §3, is amended to read:
- A. The amount due may be collected by civil action in the name of the commission commissioner.
- 28 Sec. 7. 26 MRSA §1081, sub-§1, as amended by PL 1981, c. 286, §1, is further amended to read:

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- 1 of 6 years or until a successor has been duly appointed and qualified, except that any member 2 3 appointed to fill a vacancy occurring prior to the 4 expiration of the term for which his predecessor was 5 appointed shall be appointed for the remainder of the 6 term. During his term of membership on the commis-7 sion, a member shall not engage in any other busi-8 ness, vocation or employment, nor serve as an officer 9 or committee member of any political organization.
- 10 Sec. 8. 26 MRSA §1081, sub-§3, as amended by PL 1977, c. 675, §5, is further amended to read:

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- 3. Quorum. Any 2 members of the commission shall constitute a quorum. Whenever the commission hears any case involving a disputed claim for benefits under this chapter, the chairman shall act alone in the absence or disqualification of any other member, provided that in the event of illness or extended absence on the part of the chairman or the event of a vacancy in that position, the remaining members may act on appeals and conduct hearings and render a decision, provided both members agree. Except as otherwise provided, no vacancy shall impair the right of the remaining members to exercise all of the powers of the commission. Any action, decision, order, rule or recommendation which is required by law to be made by the Maine Employment Security Unemployment Insurance Commission shall not be made until the commission has held a meeting in the regular course of its business for which all members have been provided with reasonable notice of the meeting and its agenda.
- 32 Sec. 9. 26 MRSA §1082, sub-§1, as amended by PL 1981, c. 168, §11, is repealed and the following enacted in its place:
 - 1. Powers and duties of the commissioner. Except as otherwise provided, it shall be the duty of the Commissioner of Labor to administer this chapter, through an organization to be known as the Bureau of Employment Security. The commissioner may employ such persons, make such expenditures, require such reports, make such investigations and take such other actions as he deems necessary or suitable to that end. He shall determine his own organization

- 1 and shall have an official seal which shall be judi-2 cially noticed. The commissioner shall determine 3 methods of operational procedures in accordance 4 the provisions of this chapter and by the Maine 5 Administrative Procedure Act, Title 5, chapter 375. 6 The commissioner shall make such recommendations for 7 amendments to this chapter as he deems proper. Whenever the commissioner believes that a change in con-8 9 tribution or benefit rates will become necessary to protect the solvency of the fund, he shall promptly 10 11 inform the Governor and the Legislature and make 12 recommendations with respect thereto.
 - Sec. 10. 26 MRSA §1082, sub-§2, as amended by PL 1981, c. 168, §12, is repealed and the following enacted in its place:

- 16 2. Powers and duties of the commission. In ad-17 dition to other powers and duties provided in this chapter, the commission, with the advice and consent 18 19 of the commissioner, may adopt or rescind rules, re-20 quire reports, make investigations and take other ac-21 tions as it deems necessary or suitable to carry out 22 its duties. The procedures of the commission shall be governed by the Maine Administrative Procedure Act, Title 5, chapter 375. Each member of the com-23 24 25 mission shall have access to any information, memoranda, reports or statistical data which is in 26 27 possession of or which has been prepared by any divi-28 sion of the Department of Labor and which relates to 29 the administration of this chapter.
- 30 Sec. 11. 26 MRSA §1082, sub-§4, as amended by PL 1981, c. 168, §14, is further amended to read:
- Personnel. Subject to other provisions of 32 this chapter, the Commissioner of Labor is authorized 33 34 appoint and prescribe the duties and powers of, 35 and fix the compensation of, such officers, 36 attorneys, experts and other persons as may be 37 necessary in the performance of his duties, subject The commissioner may delegate 38 the Personnel Law. 39 such person so appointed such power to any 40 authority as is reasonable and proper for the effec-41 tive administration of this chapter, and may in 42 discretion bond any person handling moneys or signing 43 checks under this chapter. On request of the commis-

sioner, the Attorney General shall represent the department, the Maine Employment Security Commission commission and the State in any court action relating to this chapter or to its administration and enforcement. Special counsel may be retained by the commissioner in accordance with Title 5, section 196, whose service and expenses shall be paid from the funds provided for the administration of this chapter. The commissioner shall not employ or pay any person who is an officer or committee member of any political party organization.

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Sec. 12. 26 MRSA §1082, sub-§7, as amended by PL
1979, c. 651, §§18 and 47, is further amended to
read:

Records and reports. Each employing unit shall keep true and accurate work records, containing such information as the commissioner Such These records shall be open to inspection and be subject to being copied by the commissioner or his authorized representatives at reasonable time and as often as may be necessary. The commissioner may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commissioner deems necessary for the effective administration of this chap-Information thus obtained or obtained from any individual pursuant to the administration of this chapter shall, except to the extent necessary for proper presentation of a claim, be held confidential and shall not be published or be open to public inspection, other than to public employees in the performance of their public duties, in any manner revealing the individual's or employing unit's identity, but any claimant or his legal representative at a hearing before an appeal tribunal or the commission supplied with information from such the shall be records to the extent necessary for the proper presentation of his claim. Records, with any necessary authentication thereof, required in the prosecution any criminal action brought by another state for misrepresentation to obtain benefits under the law of this State shall be made available to the agency administering the employment security law of any such state for the purpose of such prosecution. person who violates any provision of this subsection shall be guilty of a Class E crime.

1 Sec. 13. 26 MRSA §1082, sub-§8, as amended by PL 1977, c. 694, §470, is further amended to read:

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- Oaths and witnesses. In the discharge of duties imposed by this chapter, the commission, the chairman of an appeal tribunal and any duly authorized representative of either of them shall have power to affirmations, administer oaths and certify to official acts and issue subdepositions, poenas to compel the attendance of witnesses and of books, papers, correspondence, memoproduction randa and other records deemed necessary as evidence connection with a disputed claim or the administration of this chapter. Oaths and affirmations required by reason of duties performed pursuant to this chapter may be administered by any of such persons as be designated for the purpose by the commission commissioner. In the discharge of the duties imposed by this chapter, the commission, the chairman appeal tribunal or any duly authorized representative either of them, when the interests of any interested party demand, may issue commissions to to any unemployment compensation depositions employment security official empowered to take such depositions under this chapter or the laws of any other state, for either of the following causes:
- A. When the deponent resides out of, or is absent from, the State;
- 28 B. When the deponent is bound to sea or is about 29 to go out of the State; or
- 30 C. When the deponent is so aged, infirm or sick 31 as to be unable to attend at the place of hearing.
- 33 Such depositions shall be taken by written interroga-34 tories to be compiled by the commission or the appeal 35 tribunal, and the adverse party shall be afforded an 36 opportunity to refute such testimony before a deter-37 The deponent shall be sworn and mination is made. 38 the deposition shall be signed and sworn to by the 39 deponent before admissible as testimony at a hearing 40 before the appeal tribunal or the commission.
- 41 Subpoenas shall be issued pursuant to Title 5, 42 section 9060.

Sec. 14. 26 MRSA §1082, sub-§12, as amended by
PL 1979, c. 541, Pt. A, §181 is further amended to
read:

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Reciprocal benefit arrangements. The commissioner shall participate in any arrangements with the appropriate agencies of other states or the Federal Government for the payment of benefits on the combining an individual's wages and employment covered under this chapter and his wages and employcovered under the unemployment compensation or employment security laws of other states which are approved by the United States Secretary of Labor in consultation with the state unemployment compensation reasonably calculated to agencies as assure prompt and full payment of compensation in such situations and which include provisions for applying the base period of a single state law to a claim involving the combining of an individual's wages and employment covered under 2 or more state unemployment compensation laws, and avoiding the duplicate use of wages and employment by reason of such combining. The commissioner shall reimburse such state or federal may be paid by that agency for such benefits as agency upon the basis of wages received in employment subject to this chapter or shall receive from such state or federal agency such amounts as may be paid from the fund upon the basis of wages received employment subject to the laws of such state or of the Federal Government.

The commissioner is authorized to enter into reciprocal agreements with the appropriate agencies of other states or the Federal Government adjusting the collection and payment of contributions by employers with respect to services of individuals not performed wholly within the jurisdiction of this State whereby such services may be agreed upon to be considered for all purposes, if the commissioner so desires, as wholly within, or wholly without, the jurisdiction of this State, notwithstanding any provisions of section 1043, subsection 11.

The commissioner is authorized to make such investigations, secure and transmit such information, make available such services and facilities and exercise such of the other powers provided herein with respect

1 the administration of this chapter as he deems 2 necessary or appropriate to facilitate the adminis-3 tration of any unemployment compensation, employment 4 security or public employment service and law, manner to accept and utilize information, ser-5 6 vices and facilities made available to this State by 7 any agency charged with the administration of any 8 such other unemployment compensation, employment 9 security or public employment service law. To the 10 extent permissible under the laws and Constitution of the United States, the commissioner is authorized to 11 12 enter into or cooperate in arrangements whereby 13 facilities and services provided under this chapter 14 and facilities and services provided under the unem-15 ployment compensation or employment security laws of 16 any foreign government may be utilized for the taking 17 claims and the payment of benefits under this 18 chapter, or under a similar law of such government. 19 On request of any agency which administers an employ-20 ment security law of another state, and which has found in accordance with such law that a claimant is 21 liable to repay benefits received under such law by 22 23 reason of having knowingly made a false statement or 24 misrepresentation of a material fact with respect to 25 a claim taken in this State as an agent agency, the commissioner may collect from such claim-26 27 ant the amount of such benefits to be refunded to 28 such agency.

In any case in which under this subsection a claimant is liable to repay any amount to the agency of another state, such amounts may be collected without interest by civil action in the name of the commissioner acting as agent for such agency.

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The commission shall cooperate with the commissioner to the extent necessary to accomplish the purpose of this subsection.

37 Sec. 15. 26 MRSA §1082, sub-§13, as amended by 38 PL 1971, c. 538, §§19 and 20, is further amended to 39 read:

13. Filing payroll reports; penalty. The commission may prescribe regulations for the filing of payroll reports for the employing units in the State commencing with the 4th calendar quarter of 1970, and

the failure on the part of any employing unit to file the payroll reports within the time stated by the regulation of the commission shall render the employing unit liable to a penalty of \$10, unless the delay was occasioned by the illness or death of the person in charge of the records of the employing unit or by other unavoidable occurrence which shall excuse the employing unit from said the penalty, except that an extension of time up to 30 days beyond the prescribed due date for a quarterly payroll report may be allowed by the commission for good cause upon written request made on or before the due date.

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Provided that in the case of executive, administrative and professional employees, and outside salesmen, as defined in Part 541 of the Rules and Regulations promulgated under the Fair Labor Standards Act of 1938, as amended as of June 30, 1971, the commission commissioner, upon the request of an employer of such those individuals, may approve an alternative method for obtaining from that employer necessary wage information relative to such those employees.

Sec. 16. 26 MRSA §1164, as amended by PL 1979,
c. 651, §§21 and 47, is further amended to read:

§1164. Special Administrative Expense Fund

The Special Administrative Expense Fund, as heretofore created, shall be a special fund in the State Treasury. All interest, fines and penalties collected this chapter, together with any voluntary contributions tendered as a contribution to this fund, Said The moneys shall shall be paid into this fund. not be expended or available for expenditure in manner which would permit their substitution for or a corresponding reduction in federal funds which would in the absence of said moneys be available to finance expenditures for the administration of the Employment Security Law. Nothing in this section shall the moneys from being used as a revolving fund to cover expenditures, necessary and proper under the law, for which federal funds have been duly requested but not yet received, subject to the charging of such those expenditures against such those funds received. The moneys in this fund shall be used by the commissioner either for the payment of costs

administration which are found not to have been properly and validly chargeable against federal grants or other funds received for or in the Employment Security Administration Fund on or after January 1, 1943. finance the Maine Wage Assurance Fund established in section 632. Such The moneys shall available either to satisfy the obligations incurred by the Employment Security Commission or the directly or by requesting the Treasurer of State to transfer the required amount from the Special Administrative Expense Fund to the Employment Security Administration Fund or the Maine Wage Assurance Fund. The Treasurer of State shall upon receipt of a writrequest of the commissioner make any such transfer. No expenditure of this fund or transfer shall be made unless and until the commission by resolution duly entered in its minutes finds that no other funds are available or can properly be used to finance such expenditures. The commissioner shall order the transof sueh the funds or the payment of any such obligation and such the funds shall be paid by Treasurer of State on requisitions drawn by the commissioner directing the State Controller to issue his warrant therefor. Any such warrant shall be drawn State Controller based upon bills of particulars and vouchers certified by an officer or employee desthe commissioner. ignated by Such certification shall among other things include a duly certified copy of the resolution of the commission. The this fund are specifically made available to reasonable time, replace, within а any moneys received by this State pursuant to section 302 of the Federal Social Security Act as amended, which because any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those necessary for the proper administration of the Employment Security Law. The moneys in this fund shall be continuously available to the comfor expenditure in accordance with this missioner section and shall not lapse at any time or be transferred to any other fund except as provided. Any moneys in the Special Administrative Expense Fund may be used to make refunds of interest, penalties fines erroneously collected and deposited in the Special Administrative Expense Fund. On June 30th of each year all moneys in excess of \$100,000 in fund shall be transferred to the Unemployment Compensation Fund.

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1 Sec. 17. 26 MRSA §1192, sub-§3, as amended by PL 1979, c. 651, §§23 and 47, is further amended to read:

- 3. Is able and available for work. He is able to work and is available for full-time work at his usual or customary trade, occupation, profession or business or in such other trade, occupation, profession or business for which his prior training or experience shows him to be fitted or qualified; and in addition to having complied with subsection 2 is himself actively seeking work in accordance with the regulations of the commission; provided that an unemployed individual who is neither able nor available for work due to good cause as determined by the commission deputy shall be eligible to receive prorated benefits for that portion of the week during which he was able and available;
- 18 Sec. 18. 26 MRSA §1192, sub-§6, as amended by PL 1971, c. 538, §25, is further amended to read:
 - 6. Approved training. Notwithstanding any other provisions of this chapter, any otherwise eligible claimant in training, as approved for him by the commission, under regulations adopted by the commission, under regulations adopted by the commission, under regulations adopted by the commission a deputy, shall not be denied benefits for any week with respect to section 1192, subsection 3, relating to availability and the work search requirement or the provisions of section 1193, subsection 3. Benefits paid to any eligible claimant while in approved training, as approved by the commission, for which, except for this subsection, the claimant could be disqualified under section 1193, subsection 3, shall not be charged against the experience rating record of any employer but shall be charged to the General Fund.
- 35 Sec. 19. 26 MRSA §1193, sub-§4, as amended by PL 36 1979, c. 651, §§46 and 47, is further amended to 37 read:
- 4. Stoppage of work. For any week with respect to which the deputy finds, after notification by the Director of Unemployment Compensation pursuant to section 1194, subsection 2, finds that his total or partial unemployment is due to a stoppage of work

which exists because of a labor dispute at the factory, establishment or other premises at which he is or was employed. This subsection shall not apply if it is shown to the satisfaction of the deputy that:

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- A. He is not participating in or financing or directly interested in the labor dispute which caused the stoppage of work;
 - B. He does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or financing or directly interested in the dispute;
 - C. He has obtained employment subsequent to the beginning of the stoppage of work and has earned at least 8 times his weekly benefit amount or has been in employment by an employer for 5 full weeks; or
 - He became unemployed because of a strike D. lockout caused by an employer's willful failure to observe the terms of the safety and health section of a union contract; an employer's willful failure to comply in a timely fashion with an official citation for a violation of federal and state laws involving occupational safety and health; or the quitting of labor by an employee or employees in good faith because of an abnormally dangerous condition for work at place of employment of such that employee or employees; provided that such the strike or lockout shall not extend past the time of the employer's compliance with the safety and health section of the union contract, the employer's compliance with the official citation, or finding that an abnormally dangerous condition does not exist by a federal or state official empowered to issue official citations for violation of federal and state laws involving occupational safety and health.
 - If in any case separate branches of work which are commonly conducted as separate businesses in separate premises are conducted in separate departments of the

same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment or other premises;

- Sec. 20. 26 MRSA §1194, sub-§1 is amended to read:
 - 1. Filing. Claims for benefits shall be made in accordance with such regulations as the commission may prescribe. Each employer shall post and maintain printed statements of such the regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed a printed statement of such those regulations. Such The printed statements shall be supplied by the commissioner to each employer without cost to him.
- Sec. 21. 26 MRSA §1194, sub-§2, as amended by PL 1981, c. 177, is further amended to read:
 - 2. <u>Determination</u>. A representative designated by the <u>eemmission</u> commissioner, and in this chapter referred to as a deputy, shall promptly examine the first claim filed by a claimant in each benefit year and shall determine the weekly benefit amount and maximum benefit amount potentially payable to the claimant during such that benefit year in accordance with section 1192, subsection 5.

The deputy shall promptly examine all subsequent claims filed and, on the basis of the facts found by him, shall determine whether or not such the claim is valid with respect to sections 1192 and $\overline{119}3$, other section 1192, subsection 5, or shall refer such that claim or any question involved therein to appeal tribunal or to the commission, which shall make a determination with respect thereto in dance with the procedure described in subsection 3, except that in any case in which the payment or denial of benefits will be subject to section 1193, subsection 4, the deputy shall promptly transmit report with respect to that subsection to the commission Director of Unemployment Compensation upon the basis of which the commission director shall notify its appropriate deputies as to the applicability of that subsection.

- The deputy shall determine in accordance with section 1221, subsection 3, paragraph A the proper employer's experience rating record, if any, against which benefits of an eligible individual shall be charged, if and when paid.
- 6 The deputy shall promptly notify the claimant and any 7 other interested party of the determinations and 8 reasons therefor. Subject to subsection 11, unless 9 the claimant or any such interested party, within 15 10 calendar days after such notification was mailed to 11 last known address, files an appeal from such 12 determination, such determination shall be 13 provided that the period within which an appeal may be filed may be extended, for a period not to exceed 14 15 an additional 15 calendar days, for good cause shown. 16 new evidence or pertinent facts that would alter such determination become known to the deputy prior 17 18 the date such determination becomes final, a 19 redetermination is authorized, but such redetermina-20 tion must be mailed before the original determination 21 becomes final.
 - If an employer's separation report for an employee is not received by the office specified thereon within 10 days after such report was requested, the claim shall be adjudicated on the basis of information at hand. If the employer's separation report containing possible disqualifying information is received after the 10-day period and the claimant is denied benefits by a revised deputy's decision, benefits paid prior to the date of the revised decision shall not constitute an overpayment of benefits. Any benefits paid after the date of the revised decision shall constitute an overpayment.

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34 If an employer files an amended separation report 35 otherwise raises a new issue as to the employee's 36 eligibility or changes the wages or weeks used in determining benefits which results in a denial of 37 38 benefits or a reduction of the weekly benefit amount, 39 the benefits paid prior to the date the determination 40 is mailed shall not constitute an overpayment. benefits received after such date to which the claim-41 42 ant is not entitled pursuant to a new determination 43 based on such new employer information shall consti-44 tute an overpayment.

- 1 Sec. 22. 26 MRSA §1194, sub-§4 is amended to
 2 read:
- 3 Appeal tribunals. To hear and decide disputed claims, the commission commissioner shall establish 4 5 one or more impartial appeal tribunals consisting in 6 each case of either a salaried examiner or a body 7 consisting of 3 members, one of whom shall be a sal-8 aried examiner, who shall serve as chairman, one of 9 whom shall be a representative of employers and the 10 other of whom shall be a representative of employees; 11 each of the latter 2 members shall serve at the pleasure of the commission commissioner and be paid a 12 fee of not more than \$10 \$50 per day of active ser-13 vice on such that tribunal plus necessary expenses. No person shall may participate on behalf of the com-14 15 16 mission bureau in any case in which he is an interested party. The commission commissioner may desig-17 18 alternates to serve in the absence or disquali-19 fication of any member of an appeal tribunal. 20 chairman shall act alone in the absence or disquali-21 fication of any other member and his alternates. In 22 no case shall may the hearings proceed unless the 23 chairman of the appeal tribunal is present.
- 24 Sec. 23. 26 MRSA §1194, sub-§8, as repealed and repalced by PL 1977, c. 694, §476, is amended to read:

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- 8. Appeals to courts. Any decision of the commission shall become final 10 days after receipt of written notification and any person aggrieved thereby may appeal by commencing an action pursuant to Title 5, section 11001 et seq. The commissioner shall be made a party defendant in any such appeal.
- Sec. 24. 26 MRSA §1221, sub-§4, ¶F, as amended
 by PL 1981, c. 16, §§1-6, is further amended to read:
 - F. Notwithstanding any other inconsistent law, any employer, who has been notified of his rate of contribution as required by paragraph E, subparagraph (1), for any year commencing January 1st, may voluntarily make payment of additional contributions, and, upon such that payment, shall promptly receive a recomputation and renotification of his contribution rate for such

- 1 that year, including in the calculation the addi-2 tional contributions so made. Any such addition-3 al contribution shall be made during the 30-day period following the date of the mailing to 4 5 employer of such the notice of his contribution 6 rate in any year, unless, for good cause, the time of payment has been extended by the commis-7 sion commissioner for not to exceed an additional 8 9 10 days.
- 10 Sec. 25. 26 MRSA §1221, sub-§11, ¶A, as amended 11 by PL 1979, c. 651, §27, is further amended to read:
- A. At the end of each period as determined by the commissioner shall assess each employer or governmental entity who has elected to make payments in lieu of contributions an amount as provided in subsection 10.
- 17 Sec. 26. 26 MRSA §1221, sub-§12, as amended by 18 PL 1979, c. 651, §§29 and 47, is further amended to 19 read:
- 20 Provision of bond or other security. In 21 discretion of the commission commissioner, any 22 employer who elects to become liable for payments in 23 lieu of contributions shall be required within 60 24 days after the effective date of his election 25 execute and file with the bureau a surety bond or he 26 may elect to deposit with the bureau money or securi-27 ties as approved by the commission commissioner; upon 28 the failure of an employer to comply with this sub-29 section within the time limits imposed, the commis-30 sion commissioner may terminate such that employer's 31 election to make payments in lieu of contributions 32 and such the termination shall be effective for 33 current and next calendar year. This subsection 34 shall not apply to governmental entities as defined 35 section 1043, subsection 28, whether they act 36 singularly or in group accounts as allowed by subsec-
 - Sec. 27. 26 MRSA §1222, sub-§2, ¶E, F and G, as enacted by PL 1979, c. 354, §2, are amended to read:

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tion 15.

Except as otherwise provided in subsection 3, an employing unit which became an employer subsection 9, paragraph J, shall section 1043, cease to be an employer subject to this chapter of the first day of January of any calendar year, only if it files with the commission missioner, prior to the 31st day of January of that year, a written application for termination of coverage and the commissioner finds that there were no not 20 different days, each day being in a different week within the ceding calendar year, within which that employing unit employed 10 or more individuals in agricultural labor subject to this chapter and did pay wages of \$20,000 to individuals employed in agricultural labor in any calendar quarter. the purpose of this subsection, the 2 or more employing units mentioned in section 1043, section 9, paragraph B, C or D, shall be treated as a single employing unit.

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- The commission commissioner may, upon its own metien, terminate coverage of any employer who became an employer under section 1043, subsection paragraph J, when the commissioner finds that there were not 20 different days, each day being in a different week within the ceding calendar year, within which the employing unit employed 10 or more individuals in agricullabor subject to this chapter and did not pay wages of \$20,000 to individuals employed agricultural labor in any calendar quarter; and the commission commissioner may upen iŧs metien terminate coverage of any employer who became an employer under section 1043, subsection 9, paragraph K, when the commissioner the employing unit did not pay wages finds that individuals employed in domestic of \$1,000 to service in any calendar quarter of the preceding calendar year.
- G. Except as otherwise provided in subsection 3, an employing unit which became an employer under section 1043, subsection 9, paragraph K, shall cease to be an employer subject to this chapter as of the first day of January of any calendar year, only if it files with the commission com-

missioner, prior to the 31st day of January of that year, a written application for termination of coverage and the commission commissioner finds that the employing unit did not pay wages of \$1,000 to individuals employed in domestic service in any calendar quarter of the preceding calendar year. For the purpose of this subsection, the 2 or more employing units mentioned in section 1043, subsection 9, paragraph B, C or D, shall be treated as a single employing unit.

Sec. 28. 26 MRSA §1225, sub-§3, as amended by PL 1981, c. 552, is further amended to read:

- Interest on past-due contributions. Contributions which are unpaid on the date on which they are due and payable, as prescribed by the commission regulation, shall bear interest at the rate determined by the State Tax Assessor as established by Title 36, section 186, from and after the due date, until payment is received by the bureau. Ιf it shown to the satisfaction of the commission commissioner that the delinquency arose from reasonable questions of liability under this subchapter, the commission commissioner, in its his discretion, may abate part of the interest not to exceed 75% of the total interest. If it is shown to the satisfaction the commission commissioner that the delinquency arose through no fault of the employer, no assessment of interest shall be made.
- Sec. 29. 26 MRSA §1225, sub-§4, as amended by PL
 1979, c. 651, §§37 and 47, is further amended to
 read:
- 4. Penalty on past-due contributions. If quarterly contributions are not paid when due, the commissioner shall assess, for the first 30 days after the due date or a waiver, a penalty of 2% of the amount of the contributions and thereafter a penalty of 5% of the amount of the unpaid contributions, but this penalty shall not be less than \$5 nor more than \$100. The eemmission commissioner may waive such that penalty if it he finds that the delay was occasioned by the illness or death of the person in charge of the records of the employing unit or by some other unavoidable occurrence. The eemmission

<u>commissioner</u> may allow an extension of time up to 30 days beyond the due date for good cause upon written request made on or before the due date.

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- Sec. 30. 26 MRSA §1225, sub-§5, as amended by PL
 1979, c. 651, §§38 and 47, is further amended to
 read:
- Refunds. If not later than 4 years after the date on which any contributions or interest thereon became due, an employer who has paid such the contributions or interest thereon shall make application adjustment thereof in connection with subsequent contribution payments, or for a refund thereof that adjustment cannot be made, and if because such the commission commissioner, shall determine the contributions, or interest or any portion thereof was erroneously collected, the commission commissioner shall allow such the employer to make an adjustment thereof, without interest, in connection with subsequent contribution payments by him, the adjustment cannot be made, the commissioner shall refund said that amount, without interest, from the fund. For like cause and within the same period, adjustment or refund may be so made on the commissien's commissioner's own initiative. Any such adjustment or refund, involving contributions with respect to wages upon the basis of which benefits have been paid for unemployment, shall be reduced by amount of benefits so paid. If the commission commissioner determines that contributions or interest were erroneously paid to this State on wages insured under the employment security law of other state or of the Federal Government, refund or adjustment thereof may be made without interest, irrespective of the time limits provided in this subsection, on satisfactory proof that contributions or interest on such the wages have been paid to such other state or to the Federal Government. Nothing in this chapter, or any part thereof, shall may be construed to authorize any refund or credit of money due and payable under the law and regulation in effect at the time such the money was paid.
- Sec. 31. 26 MRSA §1226, sub-§1, ¶A, as amended
 by PL 1979, c. 651, §39, is further amended to read:

A. An employer may appeal determinations by the commissioner or his designated representatives made under sections 1221, 1222 and 1225, or assessment made under section 1225, to the commission by filing an appeal, in accordance with such regulations as the commission shall prescribe, within 15 days after notification of assessment is mailed to the employer's last known address as it appears in the records of the bureau or, in the absence of such mailing, within 15 days after the notification is delivered. the employer fails to perfect such appeal, the assessment or determination shall be final as to law and fact.

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- Sec. 32. 26 MRSA §1226, sub-§1, ¶B, as amended
 by PL 1981, c. 286, §§5 and 6, is further amended to
 read:
 - Upon appeal from an such assessment, or determination, the commission shall, after appellant and the commissioner's affording the designated representative a reasonable opportunity for a fair hearing, make finding of facts and render its decision, which may affirm, modify or reverse the action of the designated repreconduct of such the hearings sentative. The shall be governed by regulations of the commission consistent with Title 5, section 9051, et seq. The commission shall promptly notify the parties to the proceeding of its finding of facts and its decision. Such The decision shall be subject to appeal pursuant to Title 5, section 11001, et seq. The commissioner shall have the right to appeal a final decision of the Maine Employment Security Unemployment Insurance Commission to the Superior Court.
 - Sec. 33. 26 MRSA §1227, sub-§1, as enacted by PL
 1975, c. 462, §9, is amended to read:
 - 1. Form and effect. Upon the failure of an employer to pay the amount assessed pursuant to section 1225, the eemmission commissioner may file in the registry of deeds of any county or with any town or city clerk a certificate under its his official seal, stating the name of the employer; his address;

the amount of the contributions and interest or penalties assessed and in default; and that the time which an appeal is permitted pursuant to section 1226 has expired without such the appeal having been taken that delay will jeopardize collection. When such the certificate is duly filed and recorded, amount of the assessment shall be a lien upon the entire interest of the employer, legal or equitable, any real or tangible personal property situated within the jurisdiction of the office in which such that certificate was filed. A lien obtained in this manner is a lien for taxes and the priority of the lien shall be governed by the laws of this State. Said The liens shall be subordinate to any estate mortgage previously recorded as required by law. No lien for contributions or interest shall valid against one who purchases personal property from the employer in the usual course of his business, in good faith and without actual notice of such lien. Such The lien may be enforced against any real or personal property by a civil action in name of the commission commissioner. The commission commissioner shall discharge any such lien upon receiving, from any such employer against whose propa lien certificate has been filed, a good and sufficient bond with sureties conditioned upon the payment of the amount of contributions and interest as finally determined, together with any additional amount which may have become due or may have accrued under this chapter and costs of court, if any.

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The foregoing remedies shall be in addition to all other remedies.

33 Sec. 34. 26 MRSA §1227, sub-§2, as amended by PL 34 1981, c. 557, §1, is further amended to read:

2. Filing lien. Certificates of liens for contributions or interest, or certificates discharging such the liens prepared in accordance with this section, shall be received, recorded and indexed by registrars of deeds or town or city clerks in the same manner as similar instruments are recorded and indexed. The fee to be paid by the commissioner for recording each such certificate is \$5, which need not be prepaid.

- 1 Sec. 35. 26 MRSA §1227, sub-§3, as enacted by PL
 2 1975, c. 462, §9, is amended to read:
- 3 3. Enforcement of lien. After any assessment has 4 become final and rights of appeal exhausted or lost 5 by virtue of failure to exercise such those rights, any property, real or personal, upon which a lien has 6 been claimed under this chapter may be sold, after due notice, in conformity with the law applicable to 7 8 9 sales of real or personal property on executions 10 issued in personal actions, in connection with which 11 sales the commission commissioner shall have the same 12 rights, privileges, duties and responsibilities as one in whose favor an execution is issued. 13
- 14 Sec. 36. 26 MRSA §1229, as enacted by PL 1975, 15 c. 462, §9, is amended to read:

§1229. Collection by civil action

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If any employer fails to make any payment of contributions, interest or penalties after notice of assessment under section 1225, subsection 1, and after the assessment has become final as to law fact, in addition to or alternatively to any other method of collection prescribed in this chapter, the amount due may be collected by civil action in the name of the commission commissioner and the employer shall pay the costs of such those actions. Civil actions brought under this section to collect contributions and interest, or penalties due thereon, from an employer shall be heard by the court at the earliest possible date and shall be entitled to preference upon the calendar of the court over all other civil actions, except petitions for judicial review under this chapter and cases arising under the Werkmen's Workers' Compensation Law Act of this State. The foregoing remedies shall be in addition to all other existing remedies against the employer or his succes-

- Sec. 37. 26 MRSA §1230, sub-§1, as amended by PL 1979, c. 651, §§41 and 47, is further amended to read:
- 1. Request for warrant. If any contribution required to be paid and any interest or penalty or both

1 payable to the commissioner under this chapter is not 2 paid when due and has become final as to law and fact 3 under section 1226, the commissioner may, within 4 years thereafter, notify the employer who is liable 5 according to the records of the bureau, specifying 6 the amount due and demanding payment within 12 days 7 after the date the notice is mailed. The 8 shall inform the employer that if he does not make 9 the payment as demanded, the commissioner will 10 tify to the Attorney General the amount due for col-11 lection by warrant as provided in this section. 12 the employer does not make payment as demanded within 13 12-day period or within an extended period which 14 the commissioner may allow, the commissioner shall 15 certify to the Attorney General the amount due 16 for collection-The Attorney General may or file 17 office of the clerk of the Superior Court of 18 Kennebec County, or any county, a certificate 19 dressed to the clerk specifying the contribution required to be paid, interest and penalties 20 due, 21 name and address of the liable employer as it appears records of the bureau, the facts whereby the 22 23 amount has become final as to law and fact and notice given, and requesting that a warrant be issued 24 against the employer for the contribution required to 25 26 be paid, together with interest and penalties, as set 27 in the certificate, and with costs. 28 commissioner has reasonable grounds to believe 29 employer may abscond within the 12-day period, 30 the commissioner may, without further notice to the 31 certify to the Attorney General the amount employer, 32 due for collection without notice to the employer 33 file in the office of the clerk of the Superior Court 34 certificate addressed to the clerk, requesting the 35 immediate issuance of a warrant.

36 Sec. 38. 26 MRSA §1230, sub-§4, as amended by PL 37 1979, c. 651, §§42, 43 and 47, is further amended to 38 read:

4. Form and effect of warrant

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A. The warrant shall have the force and effect of an execution issued upon a judgment in a civil action for the collection of taxes and benefit overpayments and may be in substantially the following form:

1 2 3	" (Name of County) SS To the sher- iffs of our respective counties or their deputies or any agent of the Commissioner of Labor
4 5 6 7 8 9 10 11 12	Whereas, the Bureau of Employment Security and or the Attorney General have certified that, pursuant to the terms of Title 26, section 1230, subsection 1, or section 1051, subsection 6, of the Revised Statutes, the amount of certain unemployment compensation tax, or benefit overpayment, assessed against of with interest and penalties, has become final as to law and fact, to wit:
13 14 15	Per- Contri- Over Inter Penal- Weeks iod butions payment est ties Involve
16 17 18	Interest will accrue at \$.00 per day for each day after
19 20 21 22 23 24 25	We command you, therefore, that of the money, goods and chattels of said debtor, in your precinct, or the value thereof in money, you cause to be paid and satisfied unto the Bureau of Employment Security, to satisfy the sums aforesaid and cents more for this warrant, together with your own fees.
26 27 28	Hereof fail not, and make due return of this warrant, with your doings thereon, unto my office within one year from the date hereof.
29 30 31 32	Clerk of Courts, County of Date"
33 34 35 36 37 38 39 40 41	B. Warrants shall be returnable within one year. New warrants may be issued on any such certificate within 2 years from the return day of the last preceding warrant for sums remaining unsatisfied. Warrants shall be served by the sheriff of any county, or by any of his deputies, or by any agent of the Commissioner of Labor, in the county where the employer or claimant may be found.

- C. The remedy provided by this section is in addition to or an alternative to all other remedies given to the commissioner in this chapter.
- Sec. 39. 26 MRSA §1401, as amended by PL 1981,
 c. 168, §§19, 20 and 26, is further amended to read:

§1401. Department; commissioner

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There is created and established the of Labor to achieve the most effective utilization of the manpower employment and training resources in the State by developing and maintaining an accountable state manpower employment and training policy, safe working conditions and protection against loss of income and by enhancing the opportunities of the individual to improve his economic consist of a Commissioner of status. to appointed by the Governor, subject to review by the joint standing committee on of the Legislature having jurisdiction over Labor and to confirmation by serve at the pleasure of the Gover-Legislature, to nor, and the following as heretefere created established: The Employment Security Unemployment Insurance Commission, the Bureau of Employment Security, the Bureau of Labor Standards, the Maine power Advisory Committee, the Cooperative Area Manpower Planning System and the Manpower Development Training Program. the office of Maine CETA, the State Employment and Training Council, the State Job Training Coordinating Council staff, the Private Industry Council staff, the Employment and Training staff and such other advisory, planning and coordinating council staff, and such other advisory, planning coordinating committees as the commissioner deems necessary to carry out the purposes of the statute.

The Commissioner of Labor shall receive a fixed weekly salary in accordance with Title 2, section 6, and shall be paid from the administrative funds of the Maine Employment Security Commission Bureau of Employment Security, the Bureau of Labor Standards and from other program administrative funds which he is authorized by statute or Executive Order to administer.

The commissioner shall have the following duties:

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- Budget. Prepare a budget for the department;
- 3 2. Personnel. Appoint to serve at his pleasure, 4 provided these appointments are consistent with the 5 law, persons to serve as directors or exeutive execu-6 tive directors of the fellowing organizations: Man-7 Adjudication, Manpower Affairs, Manpower 8 Affairs Administrative Services, Manpower Research 9 and Manpower Training and Labor he may administer; transfer personnel within the department to 10 11 the efficient utilization of department personnel 12 subject to the Personnel Law;
- 3. <u>Purchase.</u> Coordinate the purchase and use of all the <u>department</u> equipment; and
- 4. Review. Review the function and operation of the department to insure that overlapping functions and operations are brought to the attention of the Governor and Legislature.
- 19 Sec. 40. Transitional provisions. All exist-20 ing rules and regulations of the commission currently 21 in effect and operation on the effective date of this 22 Act shall continue in effect until rescinded, amended 23 or changed according to law.
 - Sec. 41. Revision clause. Wherever in the Revised Statutes the words "Employment Security Commission" appear they shall be amended to read and mean "Unemployment Insurance Commission."
- The term "regulation" shall include, but not be limited to, any regulation, rule, order, administrative procedure, policy determination, directive, authorization, privilege, form requirement, designation or agreement.
- All appointments and deputizations made by the commission shall continue in force and effect on the effective date of this Act, unless revoked by the Bureau of Employment Security.
 - All funds, equipment, property and records of the commission shall remain in the custody and con-

trol of the Bureau of Employment Security as required by the Revised Statutes, Title 26, chapter 13.

STATEMENT OF FACT

The purpose of this bill is to clarify the respective roles of the Commissioner of Labor and the members of the commission. The bill also is designed to correct inconsistencies in the Employment Security Law relative to the administrative authority and organization of the Employment Security Agency and clarify the roles of the commission and the Commissioner of Labor. The bill clarifies that the commissioner is the proper party defendant in unemployment compensation and tax appeals, an issue recently raised by the Supreme Judicial Court.