MAINE STATE LEGISLATURE

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1 2 3 4	(EMERGENCY) (New Draft of H.P. 1427, L.D. 2017) SECOND REGULAR SESSION
5 6	ONE HUNDRED AND TWELFTH LEGISLATURE
7 8	Legislative Document No. 2122
9 10 11 12	H.P. 1508 House of Representatives, March 4, 1986 Reported by Representative Beaulieu from the Committee on Labor and printed under Joint Rule 2. Original bill sponsored by Speaker Martin of Eagle Lake. Cosponsored by Representative Tammaro of Baileyville, President Pray of Penobscot and Senator Dutremble of York. EDWIN H. PERT, Clerk
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14 15	STATE OF MAINE
16 17 18	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-SIX
19 20 21	AN ACT to Improve Retraining Opportunities for Dislocated Workers.
22 23 24	Emergency preamble. Whereas, Acts of the Legis- lature do not become effective until 90 days after adjournment unless enacted as emergencies; and
25 26 27	Whereas, the State has suffered severe job losses because of major industrial and structural changes in our economy; and
28 29 30	Whereas, the loss of these jobs causes great hardship to the former workers and their families and increases the burden on the public in general; and
31 32 33 34	Whereas, there is an urgent need to enable these workers to participate in retraining programs by providing them with financial support during their period of retraining; and

Whereas, many workers presently in retraining programs feel they must drop out because they have lost the means to support themselves and their families while in training, as a result of the failure of Congress to reauthorize trade readjustment assistance allowances; and

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Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore.

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

- 1-A. Annual average weekly wage. "Annual average weekly wage," as used to establish the maximum weekly benefit amount for purposes of this chapter, means 1/52 of aggregate total wages paid in Maine covered employment, as reported on employer contribu-tion reports for the calendar year, divided by the arithmetic mean of midmonth weekly covered employment reported on employer contribution reports for the calendar year.
- 26 Sec. 2. 26 MRSA §1043, sub-§5, ¶A, as repealed 27 and replaced by PL 1965, c. 381, §2, is repealed.
- 28 Sec. 3. 26 MRSA §1043, sub-§5, ¶B is enacted to 29 read:
 - B. A dislocated worker, as defined in section 1196, subsection 1, enrolled in a training program approved under section 1192, subsection 6, 6-A or 6-B, who has exhausted his benefit year within 30 months of his enrollment in the training program, shall have his expired benefit year reopened and continued by one week for each week or part of a week that he is in such training, up to a maximum of 26 weeks, provided that no benefits may be paid under this paragraph to any person:

1 (1) Until the person has exhausted any un2 employment insurance benefits for which he
3 is eligible in a subsequent benefit year for
4 which he has qualified;

- (2) Until the person has exhausted benefits for which he is eligible under any extended unemployment insurance benefit program funded in whole or in part by the Federal Government;
- (3) Who is eligible for or who has exhausted, after the effective date of this paragraph, trade adjustment allowances as provided by the United States Trade Act of 1974, Title II, Chapter 2, Public Law 93-617, United States Code, Title 19, Section 2291, et seq., and any amendments or additions thereto, or a similar successor provision of that Act; or
- (4) For a subsequent enrollment in any training program after his initial enrollment, following the effective date of this paragraph, and final termination of a training program approved under section 1192, subsection 6, 6-A or 6-B.
- Sec. 4. 26 MRSA §1191, sub-§4, ¶A is enacted to read:
 - A. If a dislocated worker, as defined in section 1196, subsection 1, who is in training approved under section 1192, subsection 6, 6-A or 6-B, qualifies for an extended benefit year under section 1043, subsection 5, paragraph B, or exhausts the maximum amount of benefits available to him under this subsection, the maximum amount under this subsection shall be increased by the product of his weekly benefit amount multiplied by the number of weeks in which he thereafter attends an approved training program. No increase may be made under this paragraph, with respect to any benefit year, greater than 26 times the individual's weekly benefit amount.

1 2 3 4 5	(1) Benefits paid to an individual under this paragraph shall not be charged against the experience rating record of any employer, but shall be charged to the general fund.
6 7	(2) No benefits may be paid under this paragraph to any person:
8 9 10 11 12	(a) Until the person has exhausted any unemployment insurance benefits for which he is eligible in a subsequent benefit year for which he has qualified;
13 14 15 16 17	(b) Until the person has exhausted benefits for which he is eligible under any extended unemployment insurance benefit program funded in whole or in part by the Federal Government;
18 19 20 21 22 23 24 25 26 27	(c) Who is eligible for or who has exhausted, after the effective date of this paragraph, trade adjustment allowances as provided by the United States Trade Act of 1974, Title II, Chapter 2, Public Law 93-617, United States Code, Title 19, Section 2291, et seq., and any amendments or additions thereto, or a similar successor provision of that Act; or
28 29 30 31 32 33 34	(d) For a subsequent enrollment in any training program after his initial enrollment, following the effective date of this paragraph, and final termination of a training program approved under section 1192, subsection 6, 6-A or 6-B.
35	Sec. 5. 26 MRSA §1196 is enacted to read:
36 37	§1196. Extended benefits for dislocated workers in approved training; sunset and review

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1. Dislocated worker defined. As used in this section; section 1043, subsection 5, paragraph B; and

7 8	(2) Is eligible for or has exhausted his entitlement to unemployment compensation;
9	and
10 11	(3) Is unlikely to return to his previous industry or occupation;
12 13	B. An individual who has been terminated or who has received a notice of termination of employ-
14 15	ment, as a result of any permanent closure of a plant or facility; or
16 17 18	C. An individual who is long-term unemployed and has limited opportunities for employment or reemployment in the same or a similar occupation in
19 20 21	the area in which he resides, including any older individual who may have substantial barriers to employment because of his age.
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23 24	2. Annual report. The Commissioner of Labor shall report to the joint standing committee of the Legislature having jurisdiction over labor before
25 26	March 1st of each year regarding the actions taken under section 1043, subsection 5, paragraph B, and
27 28	section 1191, subsection 4, paragraph A. The report shall include:
29 30	A. The number of persons who receive benefits under those provisions;
31 32 33	B. The average length of time in training for persons who receive benefits under those provisions;
34 35 36	C. The average weekly benefit and average total amount of benefits paid to persons under those provisions;

section 1191, subsection 4, paragraph A, the term "dislocated worker" means:

(1) Has been terminated or laid off or who has received a notice of termination or lay-

A. An individual who:

off from employment;

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- D. The success rate in placing trainees who receive benefits under those provisions; and
 - E. The total cost of benefits paid under those provisions and the effect on the Unemployment Trust Fund.
- 6 3. Repeal. This section; section 1043, subsection 5, paragraph B; and section 1191, subsection 4, paragraph A, are repealed:
- 9 A. Three years from the effective date of this section; or
- 11 B. If the reserve multiple determined under sec-12 tion 1221, subsection 4, paragraph C, is .245 or 13 below.
- Any person who has qualified to receive benefits under section 1043, subsection 5, paragraph B, or section 1191, subsection 4, paragraph A, at the time of repeal under this subsection shall continue to be governed by the repealed provision.
- 19 Emergency clause. In view of the emergency cited 20 in the preamble, this Act shall take effect when ap-21 proved.

22 STATEMENT OF FACT

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Many Maine workers have recently lost their jobs because of major industrial and structural changes in our economy. Shoeworkers, tannery workers, textile workers, papermakers and others have lost jobs that they have performed most of their working lives. These workers need to be retrained in order to effectively compete in the current labor market, but lack of financial assistance to support their families while they are in training discourages many from participating in training programs. This problem has recently been exacerbated by the termination of federal trade readjustment allowances to workers displaced by imports.

This new draft extends the maximum length of unemployment benefits for persons in approved training in order to provide a minimal level of support them during their period of retraining, up to a maximum of 26 weeks. Benefits will be paid during this time only if the worker is actually enrolled The new draft also ensures that the protraining. gram will apply to only "dislocated workers" who face poor prospects in finding new employment without re-The new draft prevents a displaced worker training. from receiving extended benefits under this program twice by limiting the award of benefits to a worker to only his first training program. The new draft also requires a displaced worker to exhaust all other potential sources of additional unemployment benefits before he becomes eligible under this program. the Federal Government reenacts trade adjustment lowances for workers displaced by imports, a worker who qualifies for such assistance will not also ceive benefits under this program; he may only receive the trade allowances.

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Finally, this new draft provides protection to the Unemployment Trust Fund by providing for an automatic repeal in 3 years or whenever the reserve multiple falls below .245, indicating that the fund balance has fallen to approximately \$35,000,000. Additional protection is ensured by requiring an annual report by the Department of Labor describing the program's effectiveness and the status of the Unemployment Trust Fund.

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