

# SECOND REGULAR SESSION

ONE	HUNDRED	AND	THIRTEENTH	LEGISLATURE

# Legislative Document

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NO. 2105

H.P. 1545 House of Representatives, January 21, 1988 Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.

Reference to the Committee on Labor suggested and ordered printed.

EDWIN H. PERT, Clerk Presented by Representative RYDELL of Brunswick. Cosponsored by Senator COLLINS of Aroostook, Representatives JOSEPH of Waterville and RAND of Portland.

### STATE OF MAINE

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

AN ACT to Increase Work Incentive in the Unemployment Insurance Partial Benefit Structure.

5 Be it enacted by the People of the State of Maine as 6 follows:

7 Sec. 1. 26 MRSA §1191, sub-§3, as repealed and 8 replaced by PL 1985, c. 737, §71, is repealed and the

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## 1 following enacted in its place:

3. Weekly benefit for partial unemployment. Each eligible individual who is partially unemployed in any 2 3 shall be paid, with respect to that week, 4 week а 5 partial benefit in an amount equal to the weekly benefit amount less that part of the earnings, paid or payable to that individual with respect to the week 6 7 8 which is in excess of the greater of 1/2 of the weekly benefit amount or \$10. Any amount received from the Federal Government by members of the National Guard 9 10 11 and organized reserve, including base pay and 12 allowances or any amounts received as a volunteer 13 fireman or as elected members of the Legislature, 14 shall not be considered wages for the purpose of this 15 subsection.

16 Sec. 2. 26 MRSA \$1043, sub-\$17, ¶B, as amended 17 by PL 1979, c. 515, \$5, is further amended to read:

18 An individual, including corporate officers, в. 19 shall be deemed "partially unemployed" in any week 20 of less than full-time work if his wages payable 21 from any source for such week are not \$5 or more 22 in excess of do not exceed 1 1/2 times the weekly benefit amount he would be entitled to receive if 23 24 totally unemployed and eligible, except that 25 remuneration payable or received as holiday pay 26 shall not be deemed wages for the purpose of this 27 subsection and except that any amounts received 28 from the Federal Government by members of the 29 Guard and organized reserve, including National base pay and allowances, or any amounts received as a volunteer fireman, or as an elected member of 30 31 the Legislature, shall not be deemed wages for the 32 33 purpose of this subsection.

#### STATEMENT OF FACT

35 Maine law presently provides unemployment 36 insurance benefits to persons employed part-time, but 37 in most cases those benefit amounts are reduced dollar 38 for dollar, after a small disregard, by their wages. 39 This discourages claimants from accepting part-time

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work. Maine's partial benefit structure is presently among the least favorable in the nation with respect 2 to providing work incentive.

This bill will benefit claimants by allowing them to keep more of their benefits when they accept part-time work. It will also benefit employers who 4 5 6 7 are having difficulty recruiting part-time workers and reduce unemployment compensation payments by 8 9 encouraging more unemployed workers to become 10 part-time wage earners.

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