

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
115TH LEGISLATURE  
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1486, L.D. 2098, Bill, "An Act to Reform Unemployment Compensation Guidelines in Maine"

Amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

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

**Whereas,** certain individuals who have earned enough wages to qualify for unemployment compensation benefits are found ineligible because the distribution of those wages does not satisfy the earned wage requirement; and

**Whereas,** these individuals have no option but to turn to general assistance, thereby placing a significant burden on municipalities and local property taxpayers; and

**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:**

**Sec. 1. 26 MRSA §1191, sub-§2,** as repealed and replaced by PL 1983, c. 862, §75, is amended to read:

**2. Weekly benefit amount for total unemployment.** Each eligible individual establishing a benefit year on and after

2 October 1, 1983, who is totally unemployed in any week shall ~~must~~  
3 be paid with respect to that week, benefits equal to 1/22 of the  
4 wages, rounded to the nearest lower full dollar amount, paid to  
5 ~~him~~ the individual in the high quarter of ~~his~~ the individual's  
6 base period, but not less than \$12. The maximum weekly benefit  
7 amount for claimants requesting insured status determination  
8 beginning October 1, 1983, and thereafter from June 1st of a  
9 calendar year to May 31st of the next calendar year shall ~~may~~ not  
10 exceed 52% of the annual average weekly wage, rounded to the  
11 nearest lower full dollar amount, paid in the calendar year  
12 preceding June 1st of that calendar year. No increase in the  
13 maximum weekly benefit amount may occur for the period from June  
14 1, 1992 to May 31, 1993. The maximum weekly benefit amount in  
15 effect from June 1, 1993 to May 31, 1994 is 52% of the annual  
16 average weekly wage paid in calendar year 1992, rounded to the  
17 nearest lower full dollar amount, minus half of the increase  
18 that, but for the preceding sentence, would have occurred on June  
19 1, 1992.

20 Sec. 2. 26 MRSA §1192, sub-§5, as amended by PL 1985, c. 348,  
21 §5, is further amended to read:

22 5. ~~Has earned wages. For--each~~ The eligible individual  
23 establishing a benefit year on or after January 1, 1980, he has  
24 been paid wages equal to or exceeding 2 times the annual average  
25 weekly wage for insured work in each of 2 different quarters in  
26 his the individual's base period and has been paid total wages  
27 for insured work equal to or exceeding 6 times the annual average  
28 weekly wage in his base period ~~for--insured-work.~~ Effective March  
29 29, 1992, an individual entitled to extended benefits under  
30 section 1195 or emergency unemployment compensation under the  
31 Emergency Unemployment Compensation Act of 1991, Public Law  
32 102-164, as amended, on an existing claim must have earned 20  
33 times the annual average weekly wage in the base period and have  
34 base period wages equal to at least 1 1/2 times the wages in the  
35 highest quarter of earnings. An individual is not considered  
36 entitled to extended benefits or emergency unemployment  
37 compensation under this subsection if that individual has been  
38 disqualified from receiving benefits under subsection 10 or under  
39 section 1195, subsection 3-A or has already received all such  
40 benefits, except that, an individual determined eligible for  
41 seasonal benefits is deemed to have received all such benefits if  
42 the effective date of the claim is outside the seasonal period  
43 and benefits are available only during the seasonal period. An  
44 individual is deemed entitled to extended benefits or emergency  
45 unemployment compensation under this subsection if that person  
46 has met the base period wage qualifying requirements applicable  
47 to these programs, but on the effective date of the claim is  
48 disqualified under subsection 7, paragraph C. The annual average  
49 weekly wage amount to be used for purposes of this subsection  
50

2 shall-be is that which is applicable at the time the individual  
files a request for determination of his insured status. For the  
4 purpose of this subsection, wages shall-be are counted as "wages  
for insured work" for benefit purposes with respect to any  
6 benefit year only if such that benefit year begins subsequent to  
the date on which the employer by whom such wages were paid has  
8 satisfied the conditions of section 1043, subsection 9, or  
section 1222, subsection 3, with respect to becoming an employer;  
10 provided that no individual may receive benefits in a benefit  
year, unless, subsequent to the beginning of the next preceding  
12 benefit year during which he received benefits, he performed  
services and earned remuneration for such service in an amount  
14 equal to not less than 8 times his weekly benefit amount in  
employment by an employer in the benefit year being established.  
16 This subsection applies only to any individual requesting  
determination of insured status on and after January 1, 1972. In  
18 determining a claimant's qualification under this subsection,  
payments pursuant to Title 39, sections 54 and 55, the Workers'  
20 Compensation Act, and Title 39, sections 188 and 189, the  
Occupational Disease Law, shall--be are considered wages for  
insured work.

22 **Sec. 3. 26 MRSA §1192, sub-§5-A is enacted to read:**

24 **5-A. Exception.** Notwithstanding subsection 5, each  
26 eligible individual establishing a benefit year effective on or  
after March 29, 1992 and prior to May 29, 1994, need not have  
28 been paid wages equal to or exceeding 2 times the annual average  
weekly wage for insured work in each of 2 different quarters in  
30 the individual's base period.

32 **Sec. 4. Furlough days for federally allocated positions in the**  
**Department of Labor.** For the purposes of carrying out activities  
34 under this Act and other activities with the Department of Labor  
and subject to the approval of the parties signatory to any  
36 applicable collective bargaining agreement, federally allocated  
positions within the Department of Labor are not subject to  
38 discretionary furlough days and "shutdown" days.

40 **Emergency clause.** In view of the emergency cited in the  
preamble, this Act takes effect on March 29, 1992.

42  
44 **FISCAL NOTE**

46 The changes to the unemployment compensation guidelines in  
48 this bill will have little or no fiscal impact to employers or to  
the Unemployment Compensation Trust Fund during fiscal year  
50 1991-92 or fiscal year 1992-93. If, however, the federal

2 government significantly changes its award of extended benefits  
3 or emergency unemployment benefits, the State may incur future  
4 costs. The additional local costs of future increased  
5 unemployment benefits will require full funding by the State as a  
6 state mandate pursuant to the Maine Revised Statutes, Title 30-A,  
7 section 5684. The General Fund appropriations required to fund  
8 these costs, as well as the costs to the State as an employer,  
9 can not be estimated at this time.

10 Section 4 of this bill exempts employees in federally  
11 allocated positions in the Department of Labor from furlough days  
12 and "shutdown" days subject to the agreement of the parties to  
13 any applicable collective bargaining agreement. Such an  
14 agreement may be affected in fiscal year 1992-93 by L.D. 2185,  
15 the supplemental budget bill.'

18 **STATEMENT OF FACT**

20 This amendment replaces the original bill with provisions  
21 that allow more individuals to become eligible for unemployment  
22 compensation while minimizing any long-term effect on the  
23 Unemployment Compensation Fund. This amendment removes the  
24 requirement that an individual have been paid wages of 2 times  
25 the annual average weekly wage in each of 2 different quarters.  
26 This change in the earned wages requirement is effective through  
27 May 28, 1994. The amendment also changes the qualifying  
28 requirements for individuals who are entitled to extended  
29 benefits or emergency unemployment benefits. Currently, an  
30 individual may not receive extended benefits or emergency  
31 unemployment benefits on an expired claim if that individual is  
32 eligible for any regular benefits on a new claim. The  
33 amendment's more stringent earned wages requirements for  
34 claimants with extended benefit or emergency unemployment  
35 compensation entitlement means that these individuals will be  
36 able to stay on the federally supported benefits longer than they  
37 would under current law. This change will mitigate the increased  
38 costs resulting from the removal of the requirement of 2 times  
39 average weekly wage in 2 quarters as long as extended benefits or  
40 emergency unemployment compensation is available. The amendment  
41 also defers 1/2 of the scheduled increase in the maximum weekly  
42 benefit due in June, 1992 to June, 1993 and the other half of the  
43 increase until June, 1994. The amendment states that federally  
44 allocated positions within the Department of Labor may not be  
45 subject to discretionary furlough days and shutdown days, subject  
46 to the approval of the parties to any applicable collective  
47 bargaining agreement. The amendment also adds a fiscal note to  
48 the bill.