

MAINE STATE LEGISLATURE

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REPORT B
LABOR

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "B" to H.P. 1080, L.D. 1517, Bill, "An Act to Enhance the Collection of Unemployment Benefit Overpayments"

Amend the bill in section 1 in paragraph C in the first paragraph in the 2nd line (page 1, line 6 in L.D.) by inserting after the following: "commissioner" the following: ', as a result of nondisclosure, misrepresentation or erroneous payments.'

Further amend the bill in section 1 in paragraph C in the first paragraph in the 4th line (page 1, line 8 in L.D.) by striking out the following: "\$500" and inserting in its place the following: '\$100'

Further amend the bill in section 1 in paragraph C in subparagraph (3) in the first line (page 1, line 25 in L.D.) by inserting after the following: "review" the following: 'by the commission'

Further amend the bill in section 1 in paragraph C in subparagraph (4) in the 4th line (page 1, line 41 in L.D.) by inserting after the following: "wages" the following: ', except that the amount withheld may not exceed an amount by which the individual's disposable earnings are reduced to a weekly equivalent of 40 times the federal hourly minimum wage prescribed by 29 United States Code, Section 206(a)(1)'

Further amend the bill in section 1 in paragraph C in subparagraph (6) in the 4th line (page 2 line 4 in L.D.) by striking out the following: "his or her" and inserting in its place the following: 'that employee's'

COMMITTEE AMENDMENT

2 Further amend the bill in section 1 in paragraph C in
3 subparagraph (6) in the last line (page 2, line 5 in L.D.) by
4 striking out the following: "section" and inserting in its place
5 the following: 'subparagraph'

6 Further amend the bill by striking out all of section 2.

8 Further amend the bill by inserting at the end before the
9 summary the following:

12 **FISCAL NOTE**

14
15 Allowing the Department of Labor to recover overpayment of
16 unemployment benefits through wage garnishment will increase
17 funds that are reimbursed to the Unemployment Compensation Trust
18 Fund. The amounts cannot be determined at this time.

20 This bill may increase the number of civil suits filed in
21 the court system. The additional workload and administrative
22 costs associated with the minimal number of new cases filed can
23 be absorbed within the budgeted resources of the Judicial
24 Department. The collection of additional filing fees may also
25 increase General Fund revenue by minor amounts.'

26 **SUMMARY**

28
29 This amendment is a minority report. The amendment provides
30 that the withholding order may be issued if the overpayment
31 results from nondisclosure, misrepresentation or erroneous
32 payments. The amendment lowers from \$500 to \$100 the minimum
33 amount of debt with respect to which a withholding order may be
34 issued. It also clarifies the process by which an individual may
35 seek a review of a notice of debt accrued, and it places a floor
36 of 40 times the federal minimum wage under which withholding may
37 not take the individual's weekly disposable income. It clarifies
38 the intent of the original bill to limit an employee's right of
39 civil action against the employer to a circumstance in which the
40 employer has discharged the employee because of a withholding
41 order. Finally, it removes the provision of the original bill
42 that allows lottery winnings to be offset to recover unemployment
43 benefit payments owed to the Department of Labor.

44 The amendment also adds a fiscal note to the bill.