

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1629

S.P. 562

In Senate, March 3, 1999

**An Act to Ensure That Sales Free and Clear of Liens Through
Bankruptcy Do Not Result in the Acquisition of a Predecessor
Employer's Experience for the Purpose of Contribution Rate
Determination.**

Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MITCHELL of Penobscot.
Cosponsored by Representative POVICH of Ellsworth and
Senators: BENOIT of Franklin, DAVIS of Piscataquis, KONTOS of Cumberland, MURRAY
of Penobscot, Representative: SHIELDS of Auburn.

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

2
4 Sec. 1. 26 MRSA §1221, sub-§5, ¶A, as amended by PL 1979, c. 651, §45, is further amended to read:

6 A. ~~The Unless purchased free and clear of liens through~~
8 ~~bankruptcy, the~~ executors, administrators, successors or
10 assigns of any employer who acquire the business of such
12 employer in toto shall acquire the experience of such
14 employer with payrolls, contributions and benefits.
16 Effective as of the date on which such business was
18 acquired, the commissioner shall for purposes of rate
20 determination transfer to the successor employer the payroll
22 record and experience rating records of the predecessor
24 employer.

18 **SUMMARY**

20 Under the current unemployment laws, the executor,
22 administrator, successor or assign of an employer acquires the
24 payroll record and experience rating records of that employer for
 purposes of determining the history of the employer's
 contributions to the Unemployment Compensation Fund.

26 This bill allows the acquisition of the payroll records and
28 experience rating of an employer only if the business is not
 purchased free and clear of liens through bankruptcy.