

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
119TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 1019, L.D. 2588, Bill, "An Act to Establish a Method of Determining Employer Contributions to the Unemployment Compensation Trust Fund"

Amend the amendment in section 1 by striking out all of that part designated "~~§1190.~~" and inserting in its place the following:

§1190. Study of benefit changes

1. Referral for review and evaluation. Whenever a legislative measure containing an unemployment compensation benefit change is proposed, the bureau shall complete a review and evaluation pursuant to subsection 2 in advance of the public hearing on the proposed measure. Once a review and evaluation has been completed, the joint standing committee of the Legislature having jurisdiction over the proposal shall review the findings of the bureau. A proposed benefit change may not be enacted into law unless review and evaluation pursuant to subsection 2 has been completed. For purposes of this section, a "benefit change" means any change in law that will cause a change in the number of people eligible as well as any increase or decrease in the dollar amount, maximum amount or duration of benefits payable.

2. Content of review. The review and evaluation must include, at a minimum and to the extent information is available, the following:

A. Total change in cost to the unemployment compensation trust fund;

B. Future impact on the planned yield adjustment and the experience rating records of employers;

C. Review of the impact of a proposed benefit change on recipient groups including an analysis by gender, income levels and geographic distribution; and

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2 D. Any other information that the bureau considers
3 appropriate to assist the Legislature in deciding on the
4 proposed benefit change.'

6 Further amend the amendment in section 2 in subparagraph (3)
7 by striking out all of the first blocked paragraph (page 2, lines
8 26 to 38 in amendment) and inserting in its place the following:


10 '(3) The commissioner shall compute a reserve multiple
11 to determine the schedule and planned yield in effect
12 for a rate year. The reserve multiple is determined by
13 dividing the fund reserve ratio by the average benefit
14 cost rate. The determination date is October 31st of
15 each calendar year. The schedule and planned yield
16 that apply for the 12-month period commencing every
17 January 1st are shown on the line of the following
18 table that corresponds with the applicable reserve
19 multiple in column A, except that a planned yield of
20 1.1% must be in effect for the 12-month period
21 commencing January 1, 2000.'

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SUMMARY

28 This amendment makes several changes to the study
29 requirement for a legislative measure containing an unemployment
30 compensation benefit change. It provides that whenever a
31 legislative measure containing an unemployment compensation
32 benefit change is proposed, the Department of Labor, Bureau of
33 Unemployment Compensation shall complete a review and evaluation
34 in advance of the public hearing on the proposed measure. It
35 requires the bureau to study and report on the impact of a
36 proposed benefit change on the experience rating records of
37 employers and on the impact on the recipient groups. It also
38 removes the repeal of the study requirement and deletes the
39 requirement for an analysis of whether a proposed benefit
40 increase duplicates other social assistance programs. It removes
41 the provisions that limit use of the table for determining
42 planned yield to the calendar year 2001.

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