

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

HAS

L.D. 880

DATE: 4-16-03

(Filing No. H-146)

MAJORITY LABOR

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE HOUSE OF REPRESENTATIVES 121ST LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 657, L.D. 880, Bill, "An Act To Eliminate the Social Security Offset for Unemployment Benefits"

Amend the bill in section 2 in subsection 9-A in paragraph A by striking out all of subparagraph (1) (page 1, lines 18 and 19 in L.D.) and inserting in its place the following:

'(1) The individual is receiving a pension paid under the United States Social Security Act or any other pension or plan to which the individual made at least 50% of the contributions;'

Further amend the bill in section 2 in subsection 9-A in paragraph A by striking out all of subparagraph (3) (page 1, lines 26 to 34 in L.D.) and inserting in its place the following:

'(3) The services performed for the employer by the individual during the base period, or remuneration received for these services, did not affect the individual's eligibility for, or increase the amount of, that pension, retirement or retired pay, annuity or similar payment.'

SUMMARY

This amendment clarifies that a Social Security benefit is included among the category of pensions that are not offset against unemployment compensation benefits. It also makes a technical correction by deleting unnecessary language from the bill and revises a provision of the bill for greater clarity.

FISCAL NOTE REQUIRED (See attached)

COMMITTEE AMENDMENT



121st Maine Legislature
Office of Fiscal and Program Review

LD 880

An Act to Eliminate the Social Security Offset for Unemployment Benefits

LR 0531(02)

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Labor

Fiscal Note Required: Yes

Fiscal Note

Undetermined current biennium cost increase - All Funds

Current biennium revenue increase - Other Funds

Fiscal Detail and Notes

The Department of Labor estimates this bill will increase benefits paid from the Unemployment Compensation Trust Fund beginning in fiscal year 2003-04. The amount can not be determined at this time. However, estimates developed by the Department of Labor using 2002 data indicate the increase in benefit costs to be approximately \$2,700,000. The cost increase would move the unemployment contributions schedule from B to C for rate year 2005, increasing collections by \$12,200,000 in 2005 and an additional \$1,500,000 in 2006. The State and all other direct reimbursement employers will be required to repay the Unemployment Compensation Trust Fund for the additional benefit payments.