

# MAINE STATE LEGISLATURE

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# 121st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2003

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Legislative Document

No. 1552

S.P. 521

In Senate, April 10, 2003

**An Act To Allocate a Portion of the Reed Act Distribution of 2002  
To Use for the Administration of the Unemployment Insurance and  
Employment Services Programs**

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Submitted by the Department of Labor pursuant to Joint Rule 204.  
Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator EDMONDS of Cumberland.  
Cosponsored by Representative TREADWELL of Carmel and  
Senator: BLAIS of Kennebec, Representative: SMITH of Van Buren.

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

**Sec. 1. Money credited to State of Maine account in Unemployment Trust Fund under Section 903(d) of Federal Social Security Act.** Money credited to the account of the State of Maine in the Federal Unemployment Trust Fund by the United States Secretary of the Treasury on March 13, 2002 pursuant to Section 903(d) of the Federal Social Security Act may not be requisitioned from the State's account or used except for the payment of benefits and for the payment of expenses incurred for the administration of the State's unemployment compensation law and public employment offices. Money used for the payment of benefits is requisitioned as defined in the Maine Revised Statutes, Title 26, section 1162. Money requisitioned and used for the payment of expenses incurred for the administration of the State's unemployment compensation law and public employment offices requires a specific appropriation by the Legislature as provided in section 2 of this Act. That use is only permissible if the expenses are incurred and the money is requisitioned after the effective date of a law making an appropriation law that specifies the purposes for which the money is appropriated and the amounts appropriated for those purposes. Any amount that may be obligated under such an appropriation is limited to an amount that does not exceed the amount by which the aggregate of the amounts transferred to the account of the State of Maine pursuant to Section 903(d) of the Federal Social Security Act exceeds the aggregate of the amounts used by the State pursuant to this Act and charged against the amounts transferred to the account of the State of Maine.

For purposes of this section, the amounts obligated under an appropriation for administrative purposes must be charged against transferred amounts at the exact time the obligation is entered into. The appropriation, obligation and expenditure or other disposition of money appropriated under this section must be accounted for in accordance with standards established by the United States Secretary of Labor. Money appropriated as provided in this Act for the payment of administration must be requisitioned as needed for the payment of obligations incurred under the appropriation and, upon requisition, must be deposited in the Employment Security Administration Fund from which payments are made. Money so deposited must, until expended, remain a part of the unemployment fund and, if it will not be immediately expended, must be returned promptly to the account of the State of Maine in the Federal Unemployment Trust Fund.

**Sec. 2. Allocation maintaining State unemployment compensation and public employment system.** There is allocated out of funds made available to the State under Section 903(d) of the Federal Social Security

2 Act, as amended, the sum of \$9,760,000 in accordance with section  
1, to be used under the direction of the Department of Labor, for  
4 the purpose of maintaining and operating the State's unemployment  
compensation and public employment system. The uses include  
6 expanded unemployment, employment and labor market information  
program services for workers and employers; expanded service  
8 access options for program customers; toll-free customer access  
to unemployment services delivered via telephone; consolidation  
10 of multiple program information system platforms; federal  
technology upgrades; and the repair and accessibility under the  
12 Americans with Disabilities Act upgrade of the central employment  
security administration facility in Augusta.

14 The amount obligated pursuant to this Act may not exceed at  
any time the amount by which the aggregate of the amounts  
16 transferred to the account of the State of Maine pursuant to  
section 903(d) of the federal Social Security Act exceeds the  
18 aggregate of the amounts obligated for administration and paid  
out for benefits and required by law to be charged against the  
20 amounts transferred to State of Maine account.

22

## 24 SUMMARY

Under federal law, Reed Act funds may be used to maintain  
26 the State's unemployment and public employment system, or to pay  
regular unemployment benefits. Maine received \$32,486,816 in  
28 Reed Act funds in 2002. This bill authorizes the use of  
\$9,760,000 of these funds to maintain and operate the State's  
30 unemployment and employment offices and includes expanded  
unemployment, employment and labor market information program  
32 services for workers and employers in the State; expanded  
customer access options for program services; toll-free customer  
34 access to unemployment services delivered via telephone;  
consolidation of multiple program information system platforms;  
36 technology upgrades; and the repair and federal Americans with  
Disabilities Act accessibility upgrade of the primary employment  
38 security administration facility in Augusta. The sum of  
\$22,786,816 of the Reed Act funds would remain in the federal  
40 Unemployment Trust Fund to pay unemployment benefits when needed.