

MAINE STATE LEGISLATURE

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R03

L.D. 995

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DATE: 4.26.05

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STATE OF MAINE
SENATE
122ND LEGISLATURE
FIRST SPECIAL SESSION

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COMMITTEE AMENDMENT "A" to S.P. 335, L.D. 995, Bill, "An
Act To Conform Maine Employment Security Law with the Federal
SUTA Dumping Prevention Act of 2004"

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Amend the bill in section 1 in subsection 5-A by striking
out all of paragraph A (page 1, lines 9 to 17 in L.D.) and
inserting in its place the following:

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'A. If:

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(1) An employer transfers its trade or business, or a
portion of its trade or business, to another employer
and, at the time of the transfer, there is
substantially common ownership, management or control
of the 2 employers, then the unemployment experience
attributable to the transferred trade or business is
transferred to the employer to whom the business is
transferred. The rates of both employers must be
recalculated and made effective immediately upon the
date of the transfer of the trade or business. The
transfer of some or all of an employer's workforce to
another employer shall be considered a transfer of
trade or business when, as the result of such transfer,
the transferring employer no longer performs trade or
business with respect to the transferred workforce, and
such trade or business is performed by the employer to
whom the workforce is transferred; and

COMMITTEE AMENDMENT

RES.

COMMITTEE AMENDMENT "A" to S.P. 335, L.D. 995

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(2) Following a transfer of experience under subparagraph (1), the commissioner determines that the purpose of the transfer or trade or business was to obtain a reduced liability for contributions, then the experience rating accounts of the employers involved must be combined into a single account and a single rate assigned to such account.'

SUMMARY

This amendment incorporates language that was inadvertently omitted from the bill.

FISCAL NOTE REQUIRED
(See attached)

COMMITTEE AMENDMENT



Approved: 04/13/05 *mac*

122nd MAINE LEGISLATURE

LD 995

LR 0336(02)

An Act To Conform Maine Employment Security Law with the Federal SUTA Dumping Prevention Act of 2004

Fiscal Note for Bill as Amended by Committee Amendment **A**

Committee: Labor

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium savings - Federal Expenditures Fund

Minor cost increase - General Fund

Minor revenue increase - General Fund

Correctional and Judicial Impact Statements

Establishes a new Class D crime

The collection of additional fines may also increase General Fund revenue by minor amounts.

Fiscal Detail and Notes

This legislation, if approved, will allow Maine's Employment Security Law to remain in conformity with section 303 of the Social Security Act. Being out of conformity with this Act would jeopardize the State's employment security administrative grants. The Bureau of Unemployment Compensation received \$13,700,000 in administrative grants in 2004-2005. Other employment security programs within the Department of Labor, including the Bureau of Employment Services and the Division of Labor Market Information Services could also lose administrative funding.