

MAINE STATE LEGISLATURE

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Date: 4-2-12

(Filing No. S-516)

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STATE OF MAINE
SENATE
125TH LEGISLATURE
SECOND REGULAR SESSION

SENATE AMENDMENT "A" to S.P. 589, L.D. 1725, Bill, "An Act To Strengthen the Unemployment Insurance Laws and Reduce Unemployment Fraud"

Amend the bill by striking out all of section 8 (page 4, lines 6 to 17 in L.D.) and inserting the following:

'Sec. 8. 26 MRSA §1193, sub-§5, as amended by PL 2009, c. 638, §1, is further amended to read:

5. Receiving remuneration. For any week with respect to which ~~he~~ the individual is receiving, ~~is entitled~~ has been scheduled to receive or has received remuneration following a permanent or indefinite separation in the form of:

A. Dismissal wages, wages in lieu of notice, terminal pay or holiday pay, or any vacation pay in an amount exceeding the equivalent of one week's wages for that individual; or

B. Benefits under the unemployment compensation or employment security law of any state or similar law of the United States.

If the remuneration under paragraph A is less than the benefits ~~which~~ that would otherwise be due under this chapter, ~~he shall be~~ the individual is entitled to receive for that week, if otherwise eligible, benefits reduced by the amount of the remuneration, rounded to the nearest lower full dollar amount. Notwithstanding paragraph A, earned vacation pay that is paid to the individual prior to the individual's being notified orally or in writing by the employer of the employer's intent to sever the employment relationship is not considered remuneration for purposes of this subsection; '

SUMMARY

The bill adds vacation pay to the types of remuneration for which unemployment benefits are offset. This amendment limits the offset for vacation pay to the amount that

SENATE AMENDMENT "A" to S.P. 589, L.D. 1725

1 exceeds one week of wages for an individual and further excludes from the offset
2 vacation pay that is paid to the individual prior to the individual's being notified of
3 severance by the employer.

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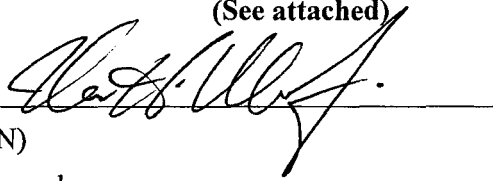
FISCAL NOTE REQUIRED

5

(See attached)

6

SPONSORED BY: _____

A handwritten signature in black ink, appearing to read "D. H. Martin", is written over a horizontal line. The signature is cursive and somewhat stylized.

7

(Senator MARTIN)

8

COUNTY: Kennebec



Approved: 03/30/12 *MBC*

125th MAINE LEGISLATURE

LD 1725

LR 2554(05)

An Act To Strengthen the Unemployment Insurance Laws and Reduce Unemployment Fraud

Fiscal Note for Senate Amendment "A" S 516

Sponsor: Sen. Martin, Jr. of Kennebec

Fiscal Note Required: Yes

Fiscal Note

Reduced current biennium savings - Unemployment Compensation Trust Fund
Reduced future biennium revenue decrease - Unemployment Compensation Trust Fund

Fiscal Detail and Notes

Limiting the offset for vacation pay to the amount that exceeds one week of an individual's wages and excluding vacation pay from the offset under certain circumstances will reduce the amount of potential savings to the Unemployment Compensation Trust Fund in the current biennium. These provisions may also reduce the impact to the contribution schedule in future biennia.