

MAINE STATE LEGISLATURE

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125th MAINE LEGISLATURE

SECOND REGULAR SESSION-2012

Legislative Document

No. 1777

S.P. 614

In Senate, January 19, 2012

An Act To Correct an Inconsistency in the Employment Security Law

Submitted by the Department of Labor pursuant to Joint Rule 204.

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator JACKSON of Aroostook.
Cosponsored by Representative TUTTLE of Sanford and
Senator: RECTOR of Knox.

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

2 **Sec. 1. 26 MRSA §1193, sub-§10, ¶C** is enacted to read:

3 C. If the individual did not contribute to the plan, the individual receives a benefit
4 reduced by the full prorated weekly amount of the pension received. The benefit may
5 not be reduced below zero.

6 **SUMMARY**

7 This bill addresses an inconsistency in the treatment of unemployment benefits for
8 persons receiving pensions. Under current law an individual who otherwise qualifies for
9 unemployment benefits is completely denied benefits if the individual receives a pension
10 that was contributed to solely by a base period employer. The complete denial of benefits
11 is inconsistent with the treatment of individuals who contributed less than 50% to their
12 pension, which results in only a partial reduction in benefits. This bill seeks to remedy
13 this apparent inconsistency in the rare occurrences when the pension contributions were
14 made solely by the base period employer by reducing unemployment benefits based on
15 the amount of the pension.