

MAINE STATE LEGISLATURE

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SAR
ROS

Date 6/5/23

(Filing No S-179)

MINORITY

LABOR AND HOUSING

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STATE OF MAINE

SENATE

131ST LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "A" to S P 509, L D 1272, "An Act to Index Unemployment Benefits to the Unemployment Rate"

Amend the bill by inserting after section 10 the following

Sec. 11. Appropriations and allocations. The following appropriations and allocations are made

LABOR, DEPARTMENT OF

Employment Security Services 0245

Initiative Allocates one-time funds for the cost of making programming updates necessary to implement changes to the payment of unemployment benefits

FEDERAL EXPENDITURES FUND	2023-24	2024-25
All Other	\$495,000	\$0
FEDERAL EXPENDITURES FUND TOTAL	\$495,000	\$0

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively

SUMMARY

This amendment, which is the minority report of the committee, adds an appropriations and allocations section

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



131st MAINE LEGISLATURE

LD 1272

LR 1628(02)

An Act to Index Unemployment Benefits to the Unemployment Rate

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-179)
 Committee: Labor and Housing
 Fiscal Note Required: Yes

Fiscal Note

Current biennium savings - Unemployment Compensation Fund
 Potential current biennium revenue decrease - Unemployment Compensation Fund

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Appropriations/Allocations				
Federal Expenditures Fund	\$495,000	\$0	\$0	

Fiscal Detail and Notes

Current law provides that an eligible individual may receive up to 26 weeks of unemployment benefits in any benefit year. This legislation establishes the maximum number of weeks that an individual may receive benefits at 12 weeks if the State's average unemployment rate is 5.5% or below with an additional week added for every 0.5% that the rate is above 5.5% to a maximum of 20 weeks of benefits. Reducing the maximum number of weeks that an eligible individual may receive unemployment benefits will result in savings to the Unemployment Compensation Fund. The amount of savings cannot be estimated and will depend on actual experience. This bill includes a one-time Federal Expenditures Fund allocation of \$495,000 in fiscal year 2023-24 to the Employment Security Services program within the Department of Labor for the cost of making programming updates to its benefit payment system in order to implement the changes in this bill.

This reduction of benefits may eventually be reflected in lower rates to employers on subsequent contribution rate schedules. The amount and timing of reduced revenue to the Unemployment Compensation Fund cannot be determined at this time.