

# MAINE STATE LEGISLATURE

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E I G H T Y - N I N T H   L E G I S L A T U R E

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Legislative Document

No. 548

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H. P. 1322

House of Representatives, February 8, 1939.

Referred to Committee on Judiciary and sent up for concurrence. 500 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Bird of Rockland.

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S T A T E   O F   M A I N E

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
THIRTY-NINE

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**AN ACT Amending the Unemployment Compensation Law Relative to  
Railway Employment.**

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**Emergency preamble.** Whereas, the 75th Congress of the United States of America at the 3rd session thereof by an Act approved June 25, 1938 created an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and

Whereas, by said Act of Congress certain employees employed in interstate commerce are denied the right to have or assert any right to unemployment benefits under the unemployment compensation law of any state with respect to unemployment occurring after June 30, 1939, and

Whereas, a failure to amend the unemployment compensation law at once will result in depriving many individuals of substantial rights to which they are entitled, and

Whereas, to deprive such individuals of said rights would be a serious menace to the health, morals and welfare of the people of the state which constitute a subject of general interest and concern requiring appropriate and immediate action, and

Whereas, the foregoing facts in the judgment of the legislature constitute an emergency within the meaning of the constitution of this state and

requires the following legislation as immediately necessary for the preservation of the public peace, health and safety;

Now, therefore,

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

**Sec. 1. P. L., 1935, c. 192, § 19, amended.** Subsection (7) of subsection (g) of section 19 of chapter 192 of the public laws of 1935 is hereby amended by adding thereto a new subsection to be numbered (I) and to read as follows:

**‘(I) Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the railroad unemployment insurance act (52 Stat. 1094).’**

**Sec. 2. P. L., 1935, c. 192, § 3, amended.** Subsection (a) of section 3 of chapter 192 of the public laws of 1935 as amended by section 1 of chapter 228 of public laws of 1937 is hereby amended to read as follows:

**‘(a) Payment of benefits.** Twenty-four months after the date when contributions first accrue under this act, benefits shall become payable from the fund: **Provided, that wages earned for services defined in section 19 (g) (7) (I) of this act, irrespective of when performed, shall not constitute wages for insured work for the purpose of any benefit year commencing on or after July 1, 1939.** All benefits shall be paid through public employment offices, or such other agencies as the commission may by regulation prescribe, and in accordance with such regulations as the commission may prescribe.’

**Sec. 3. P. L., 1935, c. 192, § 9, amended.** Section 9 of chapter 192 of public laws of 1935 as amended by chapter 228 and 248 of the public laws 1937 is hereby amended by adding thereto a new subsection to be designated (e) and to read as follows:

**‘(e) Notwithstanding any requirements of the foregoing subsections of this section, the commission shall, prior to whichever is the later of (i) 30 days after the close of this session of the legislature and (ii) July 1, 1939, authorize and direct the Secretary of the Treasury of the United States to transfer from this state’s account in the unemployment trust fund, established and maintained pursuant to section 904 of the social security act as amended, to the railroad unemployment insurance account, established and maintained pursuant to section 10 of the railroad unemployment insurance act, an amount hereinafter referred to as the preliminary amount; and shall, prior to whichever is the later of (i) 30 days after the close of**

this session of the legislature and (ii) January 1, 1940, authorize and direct the Secretary of the Treasury of the United States to transfer from this state's account in said unemployment trust fund to said railroad unemployment insurance account an additional amount, hereinafter referred to as the liquidating amount. The social security board shall determine both such amounts after consultation with the commission and the railroad retirement board. The preliminary amount shall consist of that proportion of the balance in the unemployment compensation fund as of June 30, 1939, as the total amount of contributions collected from 'employers' (as the term 'employer' is defined in section (1) (a) of the railroad unemployment insurance act) and credited to the unemployment compensation fund bears to all contributions theretofore collected under this act and credited to the unemployment compensation fund. The liquidating amount shall consist of the total amount of contributions collected from 'employers' (as the term 'employer' is defined in section (1) (a) of the railroad unemployment insurance act) pursuant to the provisions of this act during the period July 1, 1939, to December 31, 1939, inclusive.'

**Sec. 4. P. L., 1935, c. 192, § 11, amended.** Subsection (k) of section 11 of chapter 192 of the public laws of 1935 is hereby amended to read as follows:

**'(k) State-federal cooperation.** In the administration of this act, the commission shall cooperate to the fullest extent consistent with the provisions of this act, with the social security board, created by the social security act, approved August 14, 1935, as amended; shall make such reports, in such form and containing such information as the social security board may from time to time require, and shall comply with such provisions as the social security board may from time to time find necessary to assure the correctness and verification of such reports; and shall comply with the regulations prescribed by the social security board governing the expenditure of such sums as may be allotted and paid to this state under title III of the social security act for the purpose of assisting in the administration of this act. Upon request therefor the commission shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation, and employment status of each recipient of benefits and such recipient's rights to further benefits under this act. **The commission may make the state's records relating to the administration of this act available to the railroad retirement board and may furnish the railroad retirement board, at the expense of such board,**

such copies thereof as the railroad retirement board deems necessary for its purposes.'

**Sec. 5. P. L., 1935, c. 192, § 12, amended.** Subsections (a) and (b) of section 12 of chapter 192 of public laws of 1935 as amended by chapter 248 of public laws of 1937 are hereby further amended to read as follows:

**(a) State employment service.** The commission shall establish and maintain, as a division thereof, free public employment offices in such number and in such places as may be necessary for the proper administration of this act and for the purpose of performing such duties as are within the purview of the act of congress entitled "An act to provide for the establishment of a national employment system and for cooperation with the states in the promotion of such system, and for other purposes," approved June 6, 1933 (48 Stat. 113; U.S.C., Title 29, Sec. 49 (c)), as amended. The said division shall be administered by a full-time salaried director. It shall be the duty of the commission to cooperate with any official or agency of the United States having powers or duties under the provisions of the said act of congress, as amended, and to do and perform all things necessary to secure to this state the benefits of the said act of congress, as amended, in the promotion and maintenance of a system of public employment offices. The provisions of the said act of congress, as amended, are hereby accepted by this state, in conformity with section 4 of said act, and this state will observe and comply with the requirements thereof. The commission is hereby designated and constituted the agency of this state for the purpose of said act. The commission is directed to appoint and fix the compensation of the director, other officers, and employees of the Maine state employment service, subject to the approval of the governor and council. **The commission may cooperate with or enter into agreements with the railroad retirement board with respect to the establishment, maintenance, and use of free employment service facilities.'**

**(b) Financing.** All moneys received by this state under the said act of congress, as amended, shall be paid into the special "employment service account" in the unemployment compensation administration fund, and said moneys are hereby made available to the commission to be expended as provided by this section and by said act of congress. For the purpose of establishing and maintaining free public employment offices, the commission is authorized to enter into agreements **with the railroad retirement board, or any other agency of the United States charged with the administration of an unemployment compensation law,** with any political subdivision of this state or with any private, nonprofit organization, and as a

part of any such agreement the commission may accept moneys, services or quarters as a contribution to the employment service account.'

**Sec. 6. P. L., 1935, c. 192, § 13, amended.** Subsection (a) of section 13 of chapter 192 of public laws of 1935 is hereby amended to read as follows :

'(a) **Special fund.** There is hereby created in the state treasury a special fund to be known as the unemployment compensation administration fund. All moneys which are deposited or paid into this fund are hereby appropriated and made available to the commission. All moneys in this fund shall be expended solely for the purpose of defraying the cost of the administration of this act, and for no other purpose whatsoever. The fund shall consist of all moneys appropriated by this state, and all moneys received from the United States of America, or any agency thereof, including the social security board, **railroad retirement board** and the United States employment service, or from any other source, for such purpose. **Moneys received from the railroad retirement board as compensation for services or facilities supplied to said board shall be paid into this fund and the employment service account thereof, on the same basis as expenditures are made for such services or facilities from such fund and account.** All moneys in this fund shall be deposited, administered, and disbursed, in the same manner and under the same conditions and requirements as is provided by law for other special funds in the state treasury. Any balances in this fund shall not lapse at any time, but shall be continuously available to the commission for expenditure consistent with this act. The state treasurer shall give a separate and additional bond conditioned upon the faithful performance of his duties in connection with the unemployment compensation administration fund in an amount to be fixed by the commission and in a form prescribed by law or approved by the attorney-general. The premiums for such bond and the premiums for the bond given by the treasurer of the unemployment compensation fund under section 9 of this act, shall be paid from the moneys in the unemployment compensation administration fund.'

**Emergency preamble.** In view of the emergency set forth in the preamble hereof, this act shall take effect when approved.