

MAINE STATE LEGISLATURE

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SECOND SPECIAL SESSION—JUNE 26, 1940

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

Legislative Document

No. 1248

H. P. 2273

House of Representatives, June 26, 1940.

Received under suspension of rules. On motion of Mr. Varney of Berwick tabled pending reference and 500 copies ordered printed.

HARVEY R. PEASE, Clerk.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY

**AN ACT Amending the Unemployment Compensation Law Relating to
the Unemployment Compensation Fund.**

Whereas, the prompt and economical administration of the unemployment compensation fund requires the adoption of an amendment to the unemployment compensation law simplifying the procedure of disbursing unemployment compensation benefits;

And whereas, simplification of such administration of the unemployment compensation funds will relieve the state of a substantial expenditure making such saving available for other necessary purposes;

And whereas, in the judgment of the legislature these facts constitute an emergency within the meaning of section 16 of Article XXXI of the constitution of Maine and require 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:

P. L., 1935, c. 192, 9 (b) and (c), amended. Subsections (b) and (c) of section 9 of chapter 192 of the public laws of 1935, as amended, are hereby amended to read as follows:

(b) **Accounts and deposit.** The treasurer of state shall be the ex officio treasurer and custodian of the fund and shall administer such fund in

accordance with the directions of the commission, ~~and the state controller shall issue his warrant upon it on certificates issued by the commission.~~ The treasurer of state shall maintain within the fund 3 separate accounts: (1) a clearing account, (2) an unemployment trust fund account, and (3) a benefit account. All moneys payable to the fund, upon receipt thereof by the commission, shall be forwarded to the treasurer who shall immediately deposit them in the clearing account. Refunds payable pursuant to section 14 of this act may be paid from the clearing account upon warrants ~~issued by the state controller on certificates issued by the commission~~ **prepared by the commission and signed by the state controller.** After clearance thereof all other moneys in the clearing account shall be immediately deposited with the secretary of the treasury of the United States of America to the credit of the account of this state in the unemployment trust fund, established and maintained pursuant to section 904 of the social security act, as amended, any provisions of law in this state relating to the deposit, administration, release, or disbursement of moneys in the possession or custody of this state to the contrary notwithstanding. The benefit account shall consist of all moneys requisitioned from this state's account in the unemployment trust fund.

Except as herein otherwise provided, moneys in the clearing and benefits accounts may be deposited by the treasurer, under the direction of the commission, in any bank or public depository in which general funds of the state may be deposited, but no public deposit insurance charge or premium shall be paid out of the fund. The treasurer shall give a separate bond conditioned upon the faithful performance of his duties as custodian of the fund in an amount fixed by the commission and in a form prescribed by law or approved by the attorney-general. Premiums for said bond shall be paid from the administration fund.

(c) **Withdrawals.** Moneys shall be requisitioned from the state's account in the unemployment trust fund solely for the payment of benefits in accordance with regulations prescribed by the commission. The commission shall from time to time requisition from the unemployment trust fund such amounts, not exceeding the amounts standing to this state's account therein, as it deems necessary for the payment of benefits for a reasonable future period. Upon receipt thereof the treasurer shall deposit such moneys in the benefit account and ~~the state controller shall issue his~~ warrants **shall be issued** for the payment of benefits solely from such benefit account. All ~~such warrants issued by the state controller~~ for the payment of benefits from the benefit account and of refunds from the clearing account shall ~~bear the countersignature of~~ **be prepared by the commission**

and shall be signed by the state controller or on his behalf by his duly authorized representative for that purpose, and countersigned by the state treasurer or on his behalf by his duly authorized representative for that purpose, and when so signed and countersigned and delivered to the payee shall become a check against a designated bank or trust company acting as a depository of the state government. **Neither the state controller nor the state treasurer shall be bound to inquire into the legality or propriety of the items appearing in any such warrant so prepared by the commission.** Any balance of moneys requisitioned from the unemployment trust fund which remains unclaimed or unpaid in the beenfit account after the expiration of the period for which such sums were requisitioned shall either be deducted from estimates for, and may be utilized for the payment of, benefits during succeeding periods, or, in the discretion of the commission, shall be re-deposited with the secretary of the treasury of the United States of America, to the credit of this state's account in the unemployment trust fund, as provided in subsection (b) of this section.'

Emergency clause. In view of the emergency cited in the preamble, this act shall take effect when approved.