

MAINE STATE LEGISLATURE

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

Legislative Document

No. 502

S. P. 206

In Senate, February 5, 1941.

Referred to Committee on Federal Relations and sent down for concurrence. 500 copies ordered printed.

ROYDEN V. BROWN, Secretary.

Presented by Senator Elliot of Knox.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-ONE

**AN ACT Amending the Law Relating to Unemployment Compensation to
Collect Contributions on Wages Paid.**

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

Sec. 1. P. L., 1935, c. 192, § 19, amended. Subsection (m) of section 19 of chapter 192 of the public laws of 1935, as amended, is hereby further amended to read as follows:

(m) "Wages" means all remuneration payable for personal services, including commissions and bonuses and the cash value of all remuneration payable in any medium other than cash. The reasonable cash value of remuneration payable in any medium other than cash, shall be estimated and determined in accordance with rules prescribed by the commission: except that for the purposes of sections 3 (b), section (d), section (4) (e) and section 7 of chapter 192 of the public laws of 1935 as amended, such terms shall not include:

(1) That part of the remuneration which after remuneration equal to \$3000 has become payable to an individual by an employer with respect to employment during any calendar year, becomes payable to such individual by such employer with respect to employment during such calendar year and after December 31, 1939; and for the year 1941 and each calendar

year thereafter, that part of the remuneration which, after remuneration equal to \$3,000 has been paid to an individual by an employer with respect to employment during any calendar year, is paid to such individual by such employer with respect to employment occurring during such calendar year and after December 31, 1940.

(2) The amount of any payment with respect to services performed after the effective date of this act made to, or on behalf of, an employe under a plan or system established by an employing unit which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employing unit for insurance or annuities, or into a fund, to provide for any such payment), on account of (A) retirement, or (B) sickness or accident disability, or (C) medical and hospitalization expense in connection with sickness or accident disability, or (D) death, provided the employee (1) has not the option to receive, instead of provisions for such death benefit, any part of such payment or, if such death benefit is insured, any part of the premiums (or contributions to premiums) paid by his employing unit, and (2) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employing unit.

(3) The payment by an employing unit (without deductions from the remuneration of the employee) of the tax imposed upon an employee under section 1400 of the Federal Insurance Contributions Act as amended, with respect to service performed after the effective date of this act.

(4) Dismissal payments after the effective date of this act which the employing unit is not legally required to make.'

Sec. 2. P. L., 1935, c. 192, § 7, amended. Subsection (1) of subsection (a) of section 7 of chapter 192 of the public laws of 1935, as amended, is hereby amended to read as follows:

'(1) On and after January 1, 1936, contributions shall accrue and become payable by each employer for each calendar year in which he is subject to this act, with respect to wages payable for employment (as defined in section 19 (g)) ~~occurring during such calendar year~~. Such contributions shall become due and be paid by each employer to the commission for the fund in accordance with such regulations as the commission

may prescribe, and shall not be deducted, in whole or in part from the wages of individuals in his employ.'

Sec. 3. P. L., 1935, c. 192, § 7, amended. Subsection (b) of section 7 of chapter 192 of the public laws of 1935, as amended, is hereby amended by adding thereto a new subsection (4) reading as follows:

'(4) Each employer shall pay contributions equal to two and 7/10% of wages paid by him during the calendar year 1941 and during each calendar year thereafter, with respect to employment occurring after December 31, 1940.'

Sec. 4. P. L., 1935, c. 192, § 19, amended. Subsection (1) of subsection (a) of section 19 of chapter 192 of the public laws of 1935 is hereby amended to read as follows:

(a) (1) "Annual pay roll" means the total amount of wages payable by an employer (regardless of the time of payment) for employment during a calendar year; **except that, for calendar years after December 31, 1940, "annual pay roll" means the total amount of wages paid by an employer during a calendar year.'**

Sec. 5. P. L., 1935, c. 192, § 19, amended. Subsection (e) of section 19 of chapter 192 of the public laws of 1935, as amended, is hereby amended to read as follows:

(e) "Employing unit" means any individual or type of organization, including any partnership, association, trust, estate, joint stock company, insurance company or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee or successor thereof, or the legal representative of a deceased person, which has or subsequent to January 1, 1935, had in its employ 1 or more individuals performing services for it within this state. All individuals performing services within this state for any employing unit which maintains 2 or more separate establishments within this state shall be deemed to be employed by a single employing unit for all the purposes of this act. Whenever any employing unit contracts with or has under it any contractor or subcontractor for any work which is part of its usual trade, occupation, profession, or business, unless the employing unit as well as each such contractor or subcontractor is an employer by reason of section 19 (f) or section 8 (c) of this act, the employing unit shall for all the purposes of this act be deemed to employ each individual in the employ of each such contractor or subcontractor for each day during which such individual is engaged in performing such work; except that each such contractor or subcontractor who is an employer

by reason of section 19 (f) or section 8 (c) of this act shall alone be liable for the employer's contributions measured by wages payable to individuals in his employ, and except that any employing unit who shall become liable for and pay contributions with respect to individuals in the employ of any such contractor or subcontractor who is not an employer by reason of section 19 (f) or section 8 (c) of this act, may recover the same from such contractor or subcontractor. Each individual employed to perform or to assist in performing the work of any agent or employee of an employing unit shall be deemed to be employed by such employing unit for all the purposes of this act, whether such individual was hired or paid directly by such employing unit or by such agent or employee, provided the employing unit had actual or constructive knowledge of such work.'

Sec. 6. P. L., 1935, c. 192, § 3, amended. Subsection (b) of section 3 of chapter 192 of the public laws of 1935, as amended, is hereby amended to read as follows:

(b) Weekly benefit amount for total unemployment. Each eligible individual who is totally unemployed (as defined in section 19 (j) (1)) in any week shall be paid with respect to such week, benefits at the rate shown in column (C) of the schedule below on the line on which in column (A) there is indicated the individual's wage class and such rate shall be the individual's weekly benefit amount. The individual's wage class shall be determined by the total amount of wages payable to him for insured work during his base period as shown in column (B); **provided that on and after April 1, 1942 the individual's wage class shall be determined by the total amount of wages paid to him for insured work, during his base period as shown in column (B).**

Sec. 7. P. L., 1935, c. 192, § 4, amended. Subsection (e) of section 4 of chapter 192 of the public laws of 1935 as amended is hereby amended to read as follows:

(e) He has during his base period earned wages for insured work equal to not less than the amount appearing in column (B) of the total unemployment benefit table, on the line of which, in column (C) of that table, appears his weekly benefit amount. For the purpose of this subsection wages shall be counted as "wages for insured work" for benefit purposes with respect to any benefit year only if such benefit year begins subsequent to the date on which the employer from whom such wages were earned has satisfied the conditions of section 19 (f) or section 8 (c) with respect to becoming an employer; **provided that after March 31, 1942, he has during his base period been paid wages for insured work equal to**

not less than the amount appearing in column (B) of the total unemployment benefit table, on the line of which, in column (C) of that table, appears his weekly benefit amount. For the purpose of this subsection wages shall be counted as "wages for insured work" for benefit purposes with respect to any benefit year only if such benefit year begins subsequent to the date on which the employer by whom such wages were paid has satisfied the conditions of section 19 (f) or section 8 (c) with respect to becoming an employer.'