

MAINE STATE LEGISLATURE

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STATE OF MAINE
118TH LEGISLATURE

SECOND REGULAR SESSION
AND
SECOND SPECIAL SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
LABOR

MAY 1998

MEMBERS:

Sen. Mary R. Cathcart, Chair
Sen. Sharon Anglin Treat
Sen. S. Peter Mills

Rep. Pamela H. Hatch, Chair
Rep. Roland B. Samson
Rep. Brian Bolduc
Rep. Joseph E. Clark
Rep. Benjamin L. Rines, Jr.
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Rep. Robert E. Pendleton, Jr.
Rep. Russell P. Treadwell

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ONE HUNDRED EIGHTEENTH LEGISLATURE
SECOND REGULAR AND SECOND SPECIAL SESSIONS

Summary Of Legislation Before The Joint Standing Committees
May 1998

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CON RES XXX*..... Chapter # of Constitutional Resolution passed by both Houses
- CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; bill died
- DIED BETWEEN BODIES*.....House & Senate disagree; bill died
- DIED IN CONCURRENCE*.....One body accepts ONTP report; the other indefinitely postpones the bill
- DIED ON ADJOURNMENT*.....Action incomplete when session ended; bill died
- EMERGENCY*.....Enacted law takes effect sooner than 90 days
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....Emergency bill failed to get 2/3 vote
- FAILED ENACTMENT/FINAL PASSAGE*.....Bill failed to get majority vote
- FAILED MANDATE ENACTMENT*.....Bill imposing local mandate failed to get 2/3 vote
- INDEF PP*.....Bill Indefinitely Postponed
- ONTP*..... Ought Not To Pass report accepted
- OTP ND*..... Committee report Ought To Pass In New Draft
- OTP ND/NT*..... Committee report Ought To Pass In New Draft/New Title
- P&S XXX*..... Chapter # of enacted Private & Special Law
- PUBLIC XXX*..... Chapter # of enacted Public Law
- RESOLVE XXX*..... Chapter # of finally passed Resolve
- UNSIGNED*.....Bill held by Governor
- VETO SUSTAINED*.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

5. Other revenue sources for solvency;
6. Benefit structures consistent with the purpose of the unemployment insurance program; and
7. The administration of the Unemployment Compensation Fund.

The amendment also proposed to require the department to include a detailed report of the basis upon which the evaluation was performed, including the projected impacts of the solvency plan, both during and after the life of the plan. Finally, the amendment proposed to strike the appropriation section.

Enacted law summary

Public Law 1997, chapter 745 maintains through December 31, 1999, the current solvency measures that were scheduled to sunset by the end of 1998: a 0.4 percent surtax; Schedule P tax rates, the highest permissible rates; a six percent reduction in maximum benefit amounts; and a \$3 reduction in all benefit amounts.

The law also requires the Department of Labor to report to the 119th Legislature by January 1, 1999, with legislation to implement a solvency plan designed to ensure the long-term solvency of the Unemployment Compensation Fund. The department must evaluate the following factors when developing the solvency plan:

1. Equitable tax structures, including the array system;
2. Adjustments to the taxable wage base;
3. A recommended target for reserve levels in the Unemployment Compensation Fund;
4. A schedule within which the solvency plan will be achieved;
5. Other revenue sources for solvency;
6. Benefit structures consistent with the purpose of the unemployment insurance program; and
7. The administration of the Unemployment Compensation Fund.

The department must provide a detailed report of the basis upon which it performed the evaluation, including the projected impacts of the solvency plan, both during and after the life of the plan.

LD 2231

An Act to Implement the Minority Report Recommendations of the Commission to Study the Unemployment Compensation System

ONTP

Sponsor(s)

Committee Report
ONTP

Amendments Adopted

LD 2231 proposed to implement the minority recommendations of the Commission to Study the Unemployment Compensation System. The bill proposed to do the following:

1. Raise the taxable wage base from \$7,000 to \$9,000.
2. Replace the existing experience rating system for assigning tax rates to employers with an “array contribution” system.
3. Generate enough additional revenue that, by the year 2005, there will be approximately six months of reserves in the Unemployment Compensation Fund, based on the average of the three most expensive benefit years in the past 20 years.
4. Change the weekly benefit formula from 1/22 to 1/26 of high quarter earnings.
5. Reduce the maximum weekly benefit from 52 percent to 48 percent of the average weekly wage.

LD 2266 An Act to Implement the Recommendations of the Commission to Study the Funding and Distribution of Teletypewriters and Other Telecommunications Equipment for People with Disabilities PUBLIC 751 EMERGENCY

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| | OTP-AM | S-572 S-744 MICHAUD |

LD 2266 proposed to implement the recommendations of the Commission to Study the Funding and Distribution of Teletypewriters and Other Telecommunications Equipment for People with Disabilities.

Part A proposed to amend the statutory provisions in Maine Revised Statutes, Title 26, section 1419-A, governing the telecommunications equipment plan and the Telecommunications Equipment Fund, to include other specialized customer telecommunications equipment besides teletypewriters and to expand eligibility for assistance to persons with disabilities. Part A proposed to require the telecommunications equipment plan to ensure that eligible persons have access to telecommunications equipment appropriate to their individual needs. Part A also proposed an additional \$85,000 appropriation from the General Fund for the Telecommunications Equipment Fund.

Part B proposed to amend the enabling legislation of the Commission to Study the Funding and Distribution of Teletypewriters and Other Telecommunications Equipment for People with Disabilities to allow the commission to continue its study after the adjournment of the Second Regular Session of the 118th Legislature and to submit a final report by November 30, 1998.

Part C proposed to require the Division of Deafness within the Bureau of Rehabilitation Services in the Department of Labor and the Telecommunications Relay Services Advisory Council, in consultation with a telephone association in this state, to develop recommendations and a comprehensive plan for a request-for-proposal process to provide direct access to telephone networks for deaf, hard-of-hearing, speech-impaired and disabled persons.

Committee Amendment "A" (S-572) proposed to specify that the Commission to Study the Funding and Distribution of Teletypewriters and Other Telecommunications Equipment for People with Disabilities could hold two additional meetings to further its study. The amendment proposed to authorize the commission to report out legislation, and it proposed to require the commission to report to the First Regular Session of the 119th Legislature by January 15, 1999.