



131st MAINE LEGISLATURE

LD 1464

LR 1109(01)

An Act to Remove the Waiting Period for Benefits Under Maine's Unemployment Insurance System

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Daughtry of Cumberland

Committee: Labor and Housing

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Undetermined current biennium cost increase - All Funds

Undetermined future biennium revenue increase - Other Funds

	FY 2023-24	FY 2024-25	Projections FY 2025-26	Projections FY 2026-27
Appropriations/Allocations				
Employment Security Trust Fund	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000

Fiscal Detail and Notes

The Department of Labor has indicated that the Unemployment Compensation Benefit Account within the Department of Labor will require ongoing Other Fund allocations of \$7.5 million per year beginning in fiscal year 2023-24 for the estimated cost associated with eliminating the one week waiting period that must be served before an individual can begin collecting unemployment benefits.

This expansion of benefits may potentially affect the contribution rate schedule in future biennia. The impact to all employers and the timing of the impact can not be determined at this time and will depend on the level of benefits paid, contributions received and the balance of the trust fund when the contribution schedule is calculated.

The State and other direct reimbursement employers will be required to repay the Unemployment Compensation Trust Fund for additional benefit payments made as a result of this legislation beginning with the current biennium.