

# **130th MAINE LEGISLATURE**

### FIRST SPECIAL SESSION-2021

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S.P. 507

In Senate, April 27, 2021

# An Act To Amend the Laws Governing Unemployment Compensation

Submitted by the Department of Labor pursuant to Joint Rule 204. Received by the Secretary of the Senate on April 23, 2021. Referred to the Committee on Labor and Housing pursuant to Joint Rule 308.2 and ordered printed.

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DAREK M. GRANT Secretary of the Senate

Presented by Senator VITELLI of Sagadahoc. Cosponsored by Representative TALBOT ROSS of Portland and Senators: BLACK of Franklin, HICKMAN of Kennebec, Representative: SYLVESTER of Portland. 1 Be it enacted by the People of the State of Maine as follows:

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Sec. 1. 26 MRSA §1043, sub-§17, ¶B, as amended by PL 1991, c. 548, Pt. D, §2, is further amended to read:

4 B. An individual, including corporate officers, is considered "partially unemployed" 5 in any week of less than full-time work if the individual's wages payable from any source for such week are not \$5 \$100 or more in excess of the weekly benefit amount 6 the individual would be entitled to receive if totally unemployed and eligible, except 7 8 that remuneration payable or received as holiday pay is not considered wages for the 9 purpose of this subsection and except that any amounts received from the Federal Government by members of the National Guard and organized reserve, including base 10 pay and allowances, or any amounts received as a volunteer firefighter, a volunteer emergency medical services person or as an elected member of the Legislature, are not 12 13 considered wages for the purpose of this subsection.

Sec. 2. 26 MRSA §1043, sub-§17, ¶C, as amended by PL 1979, c. 515, §5, is 14 15 further amended to read:

16 C. An individual's week of unemployment shall be deemed to commence commences only after his the individual's registration at an employment office, except as the 17 commission commissioner may by regulation rule otherwise prescribe. 18

19 Sec. 3. 26 MRSA §1043, sub-§19, as amended by PL 2017, c. 117, §3, is further 20 amended to read:

21 19. Wages. "Wages" means all remuneration for personal services, including commissions, bonuses, severance or terminal pay, gratuities and the cash value of all 22 remuneration in any medium other than cash. The reasonable cash value of remuneration 23 24 in any medium other than cash must be estimated and determined in accordance with 25 regulations rules prescribed by the commission commissioner, except that:

26 A. For purposes of section 1221, the term "wages" does not include remuneration that 27 exceeds the first \$12,000 that is paid in a calendar year to an individual by an employer 28 or the employer's predecessor for employment during any calendar year, unless that 29 remuneration is subject to a tax under a federal law imposing a tax against which credit 30 may be taken for contributions required to be paid into a state unemployment fund. The 31 wages of an individual for employment with an employer are subject to this exception 32 whether earned in this State or any other state when the employer-employee 33 relationship is between the same legal entities;

34 B. For purposes of section 1191, subsection 2, section 1192, subsection 5 and section 1221, the term "wages" does not include: 35

36 (1) The amount of any payment, including any amount paid by an employer for 37 insurance or annuities, or into a fund, to provide for any such payment, made to, or on behalf of, an employee or any of the employee's dependents under a plan or 38 system established by an employer that makes provision for the employer's 39 40 employees generally, or for the employer's employees generally and their dependents, or for a class or classes of the employer's employees, or for a class or 41 42 classes of the employer's employees and their dependents, on account of:

1 2 3 4	(a) Sickness or accident disability, but, in the case of payments made to an employee or any of the employee's dependents, this subparagraph excludes from the term "wages" only payments that are received under a workers' compensation law;
5 6	(b) Medical or hospitalization expenses in connection with sickness or accident disability; or
7	(c) Death;
8 9 10 11 12	(1-A) Any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer or a 3rd party to, or on behalf of, an employee after the expiration of 6 calendar months following the last calendar month in which the employee worked for that employer;
13 14 15 16 17	(2) The payment by an employing unit, without deduction from the remuneration of the employee, of the tax imposed upon an employee under section 3101 of the Federal Insurance Contributions Act, as amended, with respect to service performed after July 26, 1940, with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor;
18 19 20 21	(3) The amount of any payment, other than vacation or sick pay, to an individual after the month in which the individual attains the age of 62, if the individual did not perform services for the employing unit in the period for which such payment is made and is not expected to perform service in the future for the payment; or
22 23 24	(4) The amount of any nominal fee or stipend to a volunteer whose service is excluded from the definition of employment pursuant to subsection 11, paragraph F, subparagraph (35);
25 26 27	C. With respect to weeks of unemployment beginning on or after January 1, 1978, wages for insured work includes wages paid for previously uncovered services. For the purposes of this paragraph, the term "previously uncovered services" means services:
28 29 30	(1) That were not employment as defined in subsection 11, and were not services covered pursuant to section 1222, at any time during the one-year period ending December 31, 1975; and
31	(2) That:
32 33	(a) Are agricultural labor, as defined in subsection 11, paragraph A-2 or domestic service as defined in subsection 11, paragraph A-3; or
34 35 36 37 38	(b) Are services performed by an employee of this State or a political subdivision thereof, or any of their instrumentalities as provided in subsection 11, paragraph A-1, subparagraph (1), or by an employee of a nonprofit educational institution that is not an institution of higher education, as provided in subsection 11, paragraph F, subparagraph (17), division (i);
39 40	except to the extent that assistance under Title II of the Emergency Jobs and Unemployment Assistance Act of 1974 was paid on the basis of such services;

- D. Nothing in this subsection may be construed to include as wages any payment that is not included as wages under the Federal Unemployment Tax Act, 26 United States Code, Section 3306(b)(5) and (r), as amended, as of January 1, 1985; and
- E. Nothing in this subsection may be construed to exclude from wages any remuneration that is:
  - (1) Taxable under any federal law that imposes a tax against which credit may be taken for contributions required to be paid into a state unemployment fund; or
  - (2) Required to be covered under this chapter as a condition for full tax credit against the tax imposed by the Federal Unemployment Tax Act.
- 10 Sec. 4. 26 MRSA §1043, sub-§20 is amended to read:

20. Week. "Week" means such period or periods of 7 calendar days as the commission
 commissioner may by regulation rule prescribe. The commission commissioner may, by
 regulation rule, prescribe that a week shall be is deemed to be "in," "within" or "during" a
 benefit year which that includes any part of such week.

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 Sec. 5. 26 MRSA §1050, as amended by PL 1979, c. 579, §8 and c. 651, §§9 and

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 47, is further amended to read:

#### 17 **§1050.** Constitutionality

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18 If at any time the provisions of this chapter requiring the payment of contributions and benefits have been held invalid under the Constitution of this State Maine by the Supreme 19 20 Judicial Court of this State or under the United States Constitution by the Supreme Court 21 of the United States in such manner that any person or concern required to pay contributions 22 under this chapter might secure a similar decision, or that the tax imposed by Title IX of 23 the federal Social Security Act, as amended, or any other federal tax against which 24 contributions under this chapter may be credited has been amended or repealed by Congress 25 or has been held unconstitutional by the Supreme Court of the United States, with the result that no portion of the contributions required by this chapter may be credited against such 26 27 federal tax, the Governor shall forthwith publicly so proclaim and upon the date of such 28 proclamation the provisions of this chapter requiring the payment of contributions and 29 benefits shall must be suspended. The commissioner shall thereupon requisition from the 30 Unemployment Trust Fund all moneys therein standing to his the commissioner's credit and shall direct the Treasurer of State to deposit such moneys, together with any other 31 32 moneys in the fund, as a special fund in any banks or public depositories in this State in which general funds of the State may be deposited, and to hold such moneys for such 33 34 disposition as the Legislature shall may prescribe. The commissioner shall thereupon refund, as the Legislature shall may prescribe, without interest and in accordance with 35 regulations rules prescribed by the commission commissioner, to each person or concern 36 by whom contributions have been paid, their pro rata share of the total contributions paid 37 under this chapter. Any interest or earnings of the fund shall must be available to the 38 39 commissioner to pay for the costs of making such refunds. When the commissioner shall 40 have has executed the duties prescribed and performed such other acts as are incidental to 41 the termination of his the commissioner's duties under this chapter, the Governor shall by proclamation declare that this chapter shall cease ceases to be operative. 42

43 Sec. 6. 26 MRSA §1051, sub-§5, as amended by PL 1997, c. 293, §4, is further 44 amended to read:

1 5. Refusal to repay erroneous payments; waiver of repayment. If, after due notice, 2 any person refuses to repay amounts erroneously paid to that person as unemployment 3 benefits, the amounts due from that person are collectible in the manner provided in subsection 6 or in the discretion of the commission commissioner or the commissioner's 4 designee, the amount erroneously paid to such person may be deducted from any future 5 6 benefits payable to that person under this chapter; provided except that there is no recovery of payments from any person who, in the judgment of at least 2 commission members the 7 8 commissioner or the commissioner's designee, is without fault and where when, in the 9 judgment of the commission commissioner or the commissioner's designee, such recovery 10 would defeat the purpose of benefits otherwise authorized or would be against equity and 11 good conscience. No recovery may be attempted until the determination of an erroneous payment is final as to law and fact and the individual has been notified of the opportunity 12 13 for a waiver under this subsection.

14 Sec. 7. 26 MRSA §1082, sub-§1, as amended by PL 1995, c. 560, Pt. G, §11, is 15 further amended to read:

1. Powers and duties of the commissioner. Except as otherwise provided, it is the 16 duty of the Commissioner of Labor commissioner to administer this chapter, through an 17 organization to be known as the Bureau of Unemployment Compensation. 18 The 19 commissioner may employ persons, make expenditures, require reports, make investigations and take other actions the commissioner determines necessary or suitable to 20 that end. The commissioner is responsible and possesses the necessary authority for the 21 22 operation and management of the Bureau of Unemployment Compensation. The 23 commissioner shall determine methods of operational procedures in accordance with the 24 provisions of this chapter. The commissioner may adopt rules in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375, to achieve this purpose, except 25 26 rules pertaining to unemployment insurance as provided in subsection 2. The 27 commissioner may adopt rules with respect to a self-employment assistance program as provided in section 1197. The commissioner shall determine methods of operational 28 29 procedures in accordance with the provisions of this chapter and by the Maine 30 Administrative Procedure Act, Title 5, chapter 375. The commissioner shall make 31 recommendations for amendments to this chapter that the commissioner determines proper. 32 When the commissioner believes that a change in contribution or benefit rates is necessary 33 to protect the solvency of the fund, the commissioner shall promptly inform the Governor 34 and the Legislature and make recommendations with respect to the change in rates.

35 Sec. 8. 26 MRSA §1082, sub-§2, as amended by PL 2003, c. 452, Pt. O, §3 and
 36 affected by Pt. X, §2, is further amended to read:

37 2. Powers and duties. In addition to other powers and duties provided in this chapter, 38 the commission, by majority vote and with the advice of the commissioner, may adopt or 39 rescind rules with respect to unemployment insurance in accordance with the Maine Administrative Procedure Act, Title 5, chapter 375. The commission may require reports, 40 make investigations and undertake other activities necessary to carry out the duties of the 41 42 commission. Each member of the commission is entitled to access to any information, 43 memoranda, reports or statistical data that is in the possession of or that has been prepared by a division of the Department of Labor and that relates to the administration of this 44 45 chapter.

1 Sec. 9. 26 MRSA §1082, sub-§13, as amended by PL 2015, c. 39, §1, is further 2 amended to read:

3 13. Filing payroll reports; penalty. The commission commissioner may prescribe 4 rules for the filing of payroll reports for the employing units in the State. Each employing unit shall submit a quarterly payroll report by electronic submission or on forms prescribed 5 by the bureau. These quarterly reports are due in the office of the bureau, or of any duly 6 7 constituted agent of the bureau, on or before the last day of the month following the close of the calendar quarter for which the reports relate. The failure on the part of any employing 8 9 unit to file the payroll reports within this time frame renders the employing unit liable for 10 a penalty of \$25 or 10% of the tax due, whichever is greater.

In the case of executive, administrative and professional employees, and outside sales representatives, as defined in Part 541 of the Rules and Regulations promulgated under the federal Fair Labor Standards Act of 1938, as amended as of June 30, 1971, the commissioner, upon the request of an employer of those individuals, may approve an alternative method for obtaining from that employer necessary wage information relative to those employees.

17 Sec. 10. 26 MRSA §1162, as repealed and replaced by PL 1979, c. 579, §19 and c.
18 651, §§20 and 47, is amended to read:

### 19 **§1162.** Withdrawals

20 Moneys shall must be requisitioned from the state's State's account in the 21 Unemployment Trust Fund solely for the payment of benefits and for the payment of refunds pursuant to section 1043, subsection 11, paragraph F, subparagraph (2) and section 22 1225 in accordance with regulations rules prescribed by the commission commissioner. 23 The commissioner shall from time to time requisition from the Unemployment Trust Fund 24 the amounts, not exceeding the amounts standing to this state's State's account therein, as 25 26 he deems the commissioner considers necessary for the payment of the benefits and refunds for a reasonable future period. Upon receipt thereof the Treasurer of State shall deposit the 27 moneys in the benefit account and warrants shall must be issued for the payment of benefits 28 29 and refunds solely from the benefit account. All warrants issued for the payment of benefits and refunds shall must bear the signature of the commissioner or his the commissioner's 30 31 duly authorized agent for that purpose. When so signed and delivered to the payee, the warrants shall become a check against a designated bank or trust company acting as a 32 depository of the State Government. The commission shall be commissioner is the final 33 34 judge of the legality or propriety of any award of benefits, or the amount thereof, appearing in any such warrant prepared by the commissioner, subject only to the right of appeal as 35 36 provided in section 1194, subsections 8 and 9. Any balance of moneys requisitioned from 37 the Unemployment Trust Fund which that remains unclaimed or unpaid in the benefit 38 account after the expiration of the period for which the sums were requisitioned shall must 39 either be deducted from estimates for, and may be utilized for the payment of, benefits and 40 refunds during succeeding periods, or, in the discretion of the commissioner, shall be redeposited with the United States Secretary of the Treasury of the United States of 41 42 America, to the credit of this state's State's account in the Unemployment Trust Fund, as 43 provided in section 1161.

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Sec. 11. 26 MRSA §1191, sub-§1 is amended to read:

- **1 1. Payment of benefits.** Benefits shall <u>must</u> be paid from the Unemployment 2 Compensation Fund through public employment offices or such other agencies as the 3 <u>commission commissioner</u> may by <u>regulation rule</u> prescribe, and in accordance with such 4 <u>regulations rules</u> as the <u>commission commissioner</u> may prescribe.
- 5 **Sec. 12. 26 MRSA §1191, sub-§6,** as corrected by RR 2009, c. 2, §77, is amended 6 to read:
- 7 6. Supplemental benefit for dependents. An individual in total or partial unemployment and otherwise eligible for benefits must be paid for each week of that 8 9 unemployment, in addition to the amounts payable under subsections 2 and 3, the sum of \$10 \$25 for each unemancipated child of the individual who in any part of the benefit year 10 11 and during any part of the individual's period of eligibility is, in fact, dependent upon and 12 is being wholly or mainly supported by the individual, and who is under the age of 18, or who is 18 years of age or over and incapable of earning wages because of mental or physical 13 incapacity, or who is a full-time student as defined in Title 39-A, section 102, subsection 14 8, paragraph C, or who is in that individual's custody pending the adjudication of a petition 15 filed by the individual for the adoption of the child in a court of competent jurisdiction and 16 for each such child for whom that individual is under a decree or order from a court of 17 18 competent jurisdiction to contribute to that child's support and for whom no other person 19 is receiving allowances hereunder. In no instance may the dependency benefits as provided in this subsection be more than 50% 60% of the individual's weekly benefit amount. 20
- The commission commissioner shall prescribe regulations rules as to who may receive a dependency allowance when both spouses are eligible to receive unemployment compensation benefits.
- No individual may be eligible to receive dependency allowances as provided in this subsection for any week during which that individual's spouse is employed full time provided that the spouse is contributing some support to their dependent or dependents. For purposes of this subsection, "employed full time" means the receipt of any wages, earnings, salary or other income equivalent to that amount that would be received for a 40-hour work week workweek.
- 30 Sec. 13. 26 MRSA §1192, sub-§1, as amended by PL 1975, c. 344, §1, is further
   31 amended to read:
- Has claim for benefits. He <u>The individual</u> has made a claim for benefits with
   respect to such week or part thereof in accordance with such regulations <u>rules</u> as the
   commission <u>commissioner</u> may prescribe;
- 35 Sec. 14. 26 MRSA §1192, sub-§2, as amended by PL 2013, c. 314, §1, is further
   36 amended to read:
- 37 2. Has registered for work. The individual has registered for work at, and continued to report at, an employment office in accordance with rules the commission commissioner 38 39 adopts, except that the commission commissioner may, by rule, waive or alter either or both of the requirements of this subsection as to individuals attached to regular jobs and as 40 41 to such other types of cases or situations with respect to which the commission commissioner finds that compliance with the requirements would be oppressive, or would 42 be inconsistent with the purposes of this chapter. A rule under this subsection may not 43 44 conflict with section 1191, subsection 1.

1 The individual must actively seek work each week in which a claim for benefits is filed 2 unless the individual is participating in approved training under subsection 6 or work search 3 has been waived in accordance with rules adopted by the commission commissioner and provide evidence of work search efforts in a manner and form as prescribed by the 4 Department of Labor. Failure to provide required work search documentation results in a 5 denial of benefits in accordance with section 1194, subsection 2 for the week or weeks for 6 which no documentation was provided unless the department determines there is good 7 cause for the individual's failure to comply with this requirement; 8

9 Sec. 15. 26 MRSA §1192, sub-§3, as amended by PL 2017, c. 453, §1, is further
 10 amended to read:

3. Is able and available for work. The individual is able to work and is available for 11 12 full-time work at the individual's usual or customary trade, occupation, profession or business or in such other trade, occupation, profession or business for which the individual's 13 14 prior training or experience shows the individual to be fitted or qualified, as long as the geographic region in which the work will take place is not greater than 35 miles from the 15 individual's primary residence; and in addition to having complied with subsection 2 is 16 actively seeking work in accordance with the regulations rules of the commission 17 18 commissioner; provided except that no ineligibility may be found solely because the 19 claimant is unable to accept employment on a shift, the greater part of which falls between the hours of midnight to 5 a.m., and is unavailable for that employment because of parental 20 obligation, the need to care for an immediate family member or the unavailability of a 21 22 personal care attendant required to assist the unemployed individual who is a handicapped person with a disability; and <del>provided</del> except that an unemployed individual who is neither 23 able nor available for work due to good cause as determined by the deputy is eligible to 24 receive prorated benefits for that portion of the week during which the individual was able 25 26 and available.

A. Notwithstanding this subsection, beginning January 1, 2004, an individual who is
 not available for full-time work as required in this subsection is not disqualified from
 receiving benefits if:

30 (1) The individual worked less than full time for a majority of the weeks during
31 that individual's base period and the individual is able and available for and actively
32 seeking part-time work for at least the number of hours in a week comparable to
33 those customarily worked in part-time employment during that individual's base
34 period; or

35 (2) The individual worked full time for a majority of the weeks during that
36 individual's base period, but is able and available for and actively seeking only
37 part-time work because of the illness or disability of an immediate family member
38 or because of limitations necessary for the safety or protection of the individual or
39 individual's immediate family member.

40 Sec. 16. 26 MRSA §1192, sub-§6, as amended by PL 2013, c. 474, §1, is further 41 amended to read:

6. Approved training. Notwithstanding any other provisions of this chapter to the
 contrary, any otherwise eligible claimant in training, as approved for the claimant by the
 deputy, under rules adopted by the commission with the advice and consent of the
 commissioner, may not be denied benefits for any week with respect to subsection 3,

relating to availability and the work search requirement or the provisions of section 1193, 1 2 subsection 3. Enrollment in a degree-granting program may not be the sole cause for denial of approved training status for an otherwise eligible claimant. Benefits paid to any eligible 3 claimant while in approved training, for which, except for this subsection, the claimant 4 could be disqualified under section 1193, subsection 3, may not be charged against the 5 experience rating record of any employer but must be charged to the General Fund. For 6 purposes of this subsection, "the deputy" means a representative from the bureau 7 8 designated by the commissioner.

9 Sec. 17. 26 MRSA §1192, sub-§6-C, as amended by PL 2013, c. 474, §2, is further
 10 amended to read:

6-C. Prohibition against disqualification of individuals in approved training under section 1196. Notwithstanding any other provision of this chapter to the contrary, no otherwise eligible individual may be denied benefits for any week because that individual is in training as approved by the deputy, under rules adopted by the commission with the advice and consent of the commissioner, nor may that individual be denied benefits by reason of leaving work to enter that training, as long as the work left is not suitable employment.

- For purposes of this subsection, "suitable employment" means, with respect to an individual, work of a substantially equal or higher skill level than the individual's past adversely affected employment, and "the deputy" means a representative from the bureau designated by the commissioner.
- Sec. 18. 26 MRSA §1192, 2nd ¶, as amended by PL 2017, c. 453, §5, is further
   amended to read:

24 For purposes of subsections 2, 3, 12 and 13, "good cause" means the unemployed individual is ill; the presence of the unemployed individual is required due to an illness of 25 26 the unemployed individual's spouse, children, parents, stepparents, brothers or sisters, or relatives who have been acting in the capacity of a parent of either the unemployed 27 individual or the unemployed individual's spouse; the unemployed individual is in 28 29 attendance at the funeral of such a relative; the unemployed individual is observing a religious holiday as required by religious conviction; the unemployed individual is 30 31 performing either a military or civil duty as required by law; or other cause of a necessitous and compelling nature, including child care emergencies and transportation emergencies. 32 If an unemployed individual has completed reemployment services and eligibility 33 assessment with the Department of Labor within the prior 5 years, that individual is 34 considered to have good cause for not participating in reemployment services and 35 eligibility assessment under subsections 12 and 13. "Good cause" does not include 36 37 incarceration as a result of a conviction for a felony or misdemeanor.

- 38 Sec. 19. 26 MRSA §1193, sub-§1, ¶A, as amended by PL 2017, c. 117, §6, is
   39 further amended to read:
- 40 A. For the week in which the claimant left regular employment voluntarily without 41 good cause attributable to that employment. The disqualification continues until the 42 claimant has earned 4 times the claimant's weekly benefit amount in employment by 43 an employer. A claimant may not be disqualified under this paragraph if:

(1) The leaving was caused by the illness or disability of the claimant or an 1 2 immediate family member and the claimant took all reasonable precautions to 3 protect the claimant's employment status by promptly notifying the employer of 4 the need for time off, a change or reduction in hours or a shift change and being advised by the employer that the time off or change or reduction in hours or shift 5 change cannot or will not be accommodated; 6 7 (2) The leaving was necessary to accompany, follow or join the claimant's spouse in a new place of residence; 8 9 (3) The leaving was in good faith in order to accept new employment on a permanent full-time basis and the new employment did not materialize for reasons 10 attributable to the new employing unit; 11 12 (4) The leaving was necessary to protect the claimant or any member of the 13 claimant's immediate family from domestic abuse or the leaving was due to 14 domestic violence that caused the claimant reasonably to believe that the claimant's continued employment would jeopardize the safety of the claimant or any member 15 of the claimant's immediate family and the claimant made all reasonable efforts to 16 preserve the employment; or 17 18 (5) The claimant's employer announced in writing to employees that it planned to reduce the work force through a layoff or reduction in force and that employees 19 may offer to be among those included in the layoff or reduction in force, at which 20 21 time the claimant offered to be one of the employees included in the lavoff or reduction in force and the claimant's employer accepted the claimant's offer, 22 23 thereby ending the employment relationship-; or 24 (6) The leaving was due to the unexpected loss of child or elder care for which the 25 claimant was not at fault and for which no work alternatives such as changes in hours or a leave of absence or alternate child or elder care options were available 26 despite good faith efforts made by the claimant to resolve the issue and continue 27 28 working. 29 Separation from employment based on the compelling family reasons in subparagraphs 30 (1), (2) and, (4) and (6) does not result in disqualification. 31 Sec. 20. 26 MRSA §1194, sub-§1 is amended to read: 32 1. Filing. Claims for benefits shall must be made in accordance with such regulations

**1. Filing.** Claims for benefits shall <u>must</u> be made in accordance with such regulations rules as the commission <u>commissioner</u> may prescribe. Each employer shall post and maintain printed statements of the regulations <u>rules</u> in places readily accessible to individuals in his the employer's service and shall make available to each such individual at the time he the individual becomes unemployed a printed statement of those regulations <u>rules</u>. The printed statements shall <u>must</u> be supplied by the commissioner to each employer without cost to him the employer.

- 39 Sec. 21. 26 MRSA §1194, sub-§1-A, ¶C, as enacted by PL 1999, c. 376, §1, is
   40 amended by amending subparagraph (1) to read:
- 41 (1) Whose earnings or earnings plus holiday pay for the week exceed the
  42 maximum weekly benefit amount plus \$5 \$100; or

Sec. 22. 26 MRSA §1194, sub-§2, as amended by PL 2003, c. 163, §1, is further
 amended by amending the 6th blocked paragraph to read:

3 If, during the period a claimant is receiving benefits, new information or a new issue arises 4 concerning the claimant's eligibility for benefits or which affects the claimant's weekly benefit amount, benefits may not be withheld until a determination is made on the issue. 5 6 Before a determination is made, written notice shall must be mailed to the claimant and 7 other interested parties, which must include the issue to be decided, the law upon which it is based, any factual allegations known to the bureau, the right to a fact-finding interview, 8 9 the date and location of the scheduled interview and the conduct of the interview and 10 appeal. The fact-finding interview must be scheduled not less than 5 days nor more than 14 days after the notice is mailed. The bureau shall include in the notice a statement 11 12 notifying the claimant that any benefits paid prior to the determination may be an 13 overpayment under applicable law and recoverable by the bureau if it is later determined 14 that the claimant was not entitled to the benefits. If the claimant does not appear for the 15 scheduled interview, the deputy shall make a determination on the basis of available evidence. The deputy shall make a prompt determination of the issue based solely on any 16 written statements of interested parties filed with the bureau before the interview, together 17 18 with the evidence presented by interested parties who personally appeared at participated 19 in the interview by telephone or e-mail or other electronic means. Upon request and notice 20 to all parties at the interview, the deputy may accept corroborative documentary evidence 21 after the interview. In no other case may the deputy base a decision on evidence received 22 after the interview has been held.

23 Sec. 23. 26 MRSA §1194, sub-§3, as amended by PL 1987, c. 641, §8, is further
 24 amended to read:

25 **3.** Appeals. Unless such appeal is withdrawn, the Division of Administrative Hearings after affording the parties reasonable opportunity for fair hearing, shall affirm, modify or 26 27 set aside the findings of fact and decision of the deputy. The parties shall must be then 28 duly notified of the division's decision, together with its reasons therefor, which subject to 29 subsection 11 shall be is deemed to be the final decision of the commission unless, within 30 15 calendar days after that notification was mailed to his the claimant's and employer's last 31 known address, the claimant and or employer may appeal appeals to the commission by 32 filing an appeal in accordance with such rules as the commission shall prescribe 33 commissioner prescribes, provided that as long as the appealing party appeared at the 34 hearing and was given notice of the effect of the failure to appear in writing prior to the 35 hearing.

36 Sec. 24. 26 MRSA §1194, sub-§6, as repealed and replaced by PL 1977, c. 694,
 37 §474, is amended to read:

6. Procedure. The manner in which disputed claims shall <u>must</u> be presented, and the reports thereon required from the claimant and from employers shall <u>must</u> be in accordance with regulations <u>rules</u> prescribed by the commission <u>commissioner</u>. The conduct of hearings and appeals shall <u>must</u> be in accordance with Title 5, section 8001 et seq chapter 375.

43 Sec. 25. 26 MRSA §1195, sub-§1-A is enacted to read:

1 2 3 4 5 6 7 8 9 10 11	<ul> <li>1-A. Alternate trigger. In addition to the conditions provided in subsection 1, paragraphs H and I with respect to weeks of unemployment beginning on or after January 1, 2022, the determination of whether there has been a state "on" indicator or a state "off" indicator beginning or ending any extended benefit period must be made under this subsection if:</li> <li>A. The average rate of seasonally adjusted total unemployment in this State, as determined by the United States Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 6.5%; and</li> <li>B. The average rate of seasonally adjusted total unemployment in this State, as determined by the United States Secretary of Labor, for the 3-month period referred to</li> </ul>
12 13 14	in paragraph A equals or exceeds 110% of the average rate for either or both of the corresponding 3-month periods ending in the 2 preceding calendar years. There is a state "off" indicator for a week based on the rate of seasonally adjusted total
15 16 17	unemployment in this State, as determined by the United States Secretary of Labor, only if the period consisting of the most recent 3 months for which data for all states are published before the close of such week does not result in a state "on" indicator.
18 19	Sec. 26. 26 MRSA §1195, sub-§2, as enacted by PL 1971, c. 119, is amended to read:
20 21 22 23 24	2. Effect of state law provisions relating to regular benefits on claims for, and the payment of, extended benefits. Except when the result would be inconsistent with the other provisions of this subchapter, as provided in the regulations <u>rules</u> of the commission <u>commissioner</u> , the provisions of this chapter <del>which</del> that apply to claims for, or the payment of, regular benefits <del>shall</del> apply to claims for, and the payment of, extended benefits.
25	Sec. 27. 26 MRSA §1195, sub-§5-A is enacted to read:
26 27 28 29	5-A. Total extended benefit amount in high unemployment period. With respect to weeks of unemployment beginning on or after January 1, 2022, effective with respect to weeks beginning in a high unemployment period, subsection 5 must be applied by substituting:
30	A. "Eighty percent" for "50%" in paragraph A;
31	B. "Twenty" for "13" in paragraph B; and
32	C. "Forty-six" for "39" in paragraph C.
33 34 35	For purposes of this subsection, "high unemployment period" means any period during which an extended benefit period would be in effect if subsection 1-A, paragraph A were applied by substituting "8%" for "6.5%."
36 37	Sec. 28. 26 MRSA §1197, sub-§8-B, ¶B-1, as enacted by PL 2005, c. 39, §1, is amended to read:
38 39 40 41 42	B-1. A person aggrieved by the decision of the hearing officer may appeal to the commission by filing an appeal in accordance with rules established by the commission <u>commissioner</u> as long as the appealing party participated in the hearing by that hearing officer and was given notice of the effect of the failure to participate in writing prior to the hearing.

Sec. 29. 26 MRSA §1221, sub-§10, ¶E, as amended by PL 1981, c. 168, §25, is
 further amended to read:

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E. The Commissioner of Labor commissioner, in accordance with such regulations rules as the commission commissioner may prescribe, shall notify each such employer of any determination which that is made of its status as an employer and of the effective date of any election which that it makes and any termination of such election. Such determination shall be is subject to reconsideration, appeal and review in accordance with section 1082, subsection 14.

9 Sec. 30. 26 MRSA §1221, sub-§15, as amended by PL 1981, c. 286, §4, is further
 10 amended to read:

15. Group accounts. Two or more nonprofit organizations or 2 or more governmental 11 12 entities that have become liable for payments in lieu of contributions, in accordance with 13 subsections 10 and 13, may file a joint application to the commissioner for the establishment of a group account for the purpose of sharing the cost of benefits paid that 14 15 are attributable to service in the employ of such employers or governmental entities. Each such application shall must identify and authorize a group representative to act as the 16 group's agent for the purposes of this subsection. Upon approval of the application, the 17 18 commissioner shall establish a group account for such employers or governmental entities 19 effective as of the beginning of the calendar quarter in which it the commissioner receives the application and shall notify the group's representative of the effective date of the 20 account. Such account shall remain remains in effect for not less than 2 years and thereafter 21 until terminated at the discretion of the commissioner or upon application by the group. 22 23 Upon establishment of the account, each member of the group shall be is liable for payments in lieu of contributions with respect to each calendar quarter in the amount that 24 25 bears the same ratio to the total benefits paid in such quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in 26 27 employment by such member in such quarter bear to the total wages paid during such 28 quarter for service performed in the employ of all members of the group. The commission 29 commissioner shall prescribe such regulations as it deems rules the commissioner considers 30 necessary with respect to applications for establishment, maintenance and termination of 31 group accounts that are authorized by this subsection, for addition of new members to, and 32 withdrawal of active members from, such accounts, and for the determination of the 33 amounts that are payable under this subsection by members of the group and the time and 34 manner of such payments.

35 Sec. 31. 26 MRSA §1226, sub-§1, ¶A, as amended by PL 2017, c. 284, Pt.
 36 AAAAA, §4, is further amended to read:

37 An employer may appeal determinations by the commissioner or the A. 38 commissioner's designated representatives made under sections 1082, subsection 14, 39 1221, 1222, 1225 and 1228, or an assessment made under section 1225, to the Division of Administrative Hearings by filing an appeal, in accordance with rules that the 40 commission commissioner prescribes, within 30 days after notification is mailed to the 41 42 employer's last known address as it appears in the records of the bureau or, in the absence of such mailing, within 30 days after the notification is delivered. If the 43 44 employer fails to perfect this appeal, the assessment or determination is final as to law 45 and fact.

1 Sec. 32. 26 MRSA §1251, sub-§2, as amended by PL 1977, c. 694, §483, is further 2 amended to read: 3

2. Regulations Rules. The commission commissioner shall prescribe fair and reasonable regulations rules, pursuant to Title 5, section 8051 et seq., applicable to the payment of benefits to individuals whose qualifying wages in whole or in part were earned in seasonal industries, to the period during which benefits shall be are payable to them the individuals and to charges to be made to experience rating records or general funds as a result of benefits so paid.

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#### SUMMARY

10 This bill makes the following changes to the laws governing unemployment 11 compensation.

12 1. It increases the amount of wages a person may receive and still be considered partially unemployed. 13

14 2. It provides the Commissioner of Labor or the commissioner's designee discretion to deduct the amount of unemployment benefits erroneously paid to a person from any future 15 16 benefits payable to that person. Current law vests this discretion in the Unemployment Insurance Commission. It also provides that unemployment benefits erroneously paid may 17 18 not be recovered from a person who, in the judgment of the commissioner or the 19 commissioner's designee, is without fault and when, in the judgment of the commissioner or the commissioner's designee, such recovery would defeat the purpose of benefits or 20 would be against equity and good conscience. Current law vests this judgment in the 21 22 commission.

23 3. It transfers rule-making authority pertaining to unemployment insurance from the Unemployment Insurance Commission to the Commissioner of Labor. 24

25 4. It increases the allowance for dependents and the cap on the allowance for 26 dependents.

27 5. It removes an exemption from the requirement to show good cause for participation 28 in reemployment services and eligibility assessment.

29 6. It provides eligibility for unemployment compensation for a person who leaves employment due to the unexpected loss of child or elder care under certain circumstances. 30

- 31 7. It provides that evidence presented at a fact-finding interview by interested parties 32 who personally participate in the interview by telephone or email or other electronic means 33 is permitted for a determination of eligibility for unemployment compensation.
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8. It specifies additional conditions that trigger an extended benefit period.

9. It increases the total extended benefit amount in a high unemployment period.