



125th MAINE LEGISLATURE

LD 1832

LR 2753(01)

An Act To Increase the Amount of Time an Employer May Employ an Employee without Being Charged for Unemployment Benefits

Fiscal Note for Original Bill

Committee: Labor, Commerce, Research and Economic Development

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Minor cost increase - General Fund

Fiscal Detail and Notes

Extending the amount of time an employer may employ an employee without being charged for unemployment benefits from 5 weeks to 6 weeks may impact the unemployment contribution rate for some non-separating employers due to additional benefits being charged to their account. This provision is repealed March 14, 2014 and will not have a fiscal impact on the state as a direct reimbursement employer.

Although the actual impact to non-separating employers can not be determined, the Center for Workforce Research and Information within the Department of Labor indicates that, had this provision been in place in 2010, 250 more claims and \$0.8 million more in benefits paid would have been charged to prior non-separating employers instead of being charged to the separating employer.

Additional costs to the Department of Labor to prepare the required report can be absorbed within existing budgeted resources.