

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND AND FOURTEEN

S.P. 719 - L.D. 1802

An Act To Allocate a Portion of the Reed Act Distribution of 2002 To Use for the Administration of the Unemployment Insurance and Employment Services Programs

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Unemployment Reform Blue Ribbon Commission, established by Executive Order 2013-003, recognized significant staffing shortages within the Department of Labor, Bureau of Unemployment Compensation and recommended the addition of full-time staff; and

Whereas, as a result of being understaffed, the Bureau of Unemployment Compensation has been unable to serve the unemployed citizens of Maine adequately in relation to the timeliness of claims processing, call center wait times, adjudications and hearings, and this inability has resulted in a below-standard level of service for Maine citizens; and

Whereas, Maine remains out of compliance with the United States Department of Labor's minimum performance measures for timeliness; and

Whereas, the Bureau of Unemployment Compensation and the Maine Unemployment Insurance Commission need to add full-time, permanent staff to reverse this trend, yet there are no federal or state funds readily available for this purpose; and

Whereas, the Department of Labor, Bureau of Employment Services needs to fully fund a modernization of the bureau's Maine Job Bank computer system, expand the functionality of the system and access to the system and create a stable technological platform from which to deliver the services offered by the Maine Job Bank; and

Whereas, the Department of Labor, Center for Workforce Research and Information needs to develop economic data critical to the reemployment of unemployed workers; and

Whereas, in order to rectify quickly the staffing shortages and deliver services to the unemployed citizens of Maine, it is necessary that this legislation take effect as soon as possible; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. Money credited to State of Maine account in Unemployment Trust Fund under Section 903(d) and Section 903(f) of federal Social Security Act.

Money credited to the account of the State of Maine in the federal Unemployment Trust Fund by the United States Secretary of the Treasury on March 13, 2002 pursuant to Section 903(d) of the federal Social Security Act and on July 29, 2009 pursuant to Section 903(f) of the federal Social Security Act may not be requisitioned from the State's account or used except for the payment of benefits and for the payment of expenses incurred for the administration of the State's unemployment compensation law and public employment offices. Money used for the payment of benefits is requisitioned as defined in the Maine Revised Statutes, Title 26, section 1162. Money requisitioned and used for the payment of expenses incurred for the administration of the State's unemployment compensation law and public employment offices requires a specific appropriation by the Legislature as provided in section 2. That use is only permissible if the expenses are incurred and the money is requisitioned after the effective date of a law making an appropriation and specifying the purposes for which the money is appropriated and the amounts appropriated for those purposes. Any amount that may be obligated under such an appropriation is limited to an amount that does not exceed the amount by which the aggregate of the amounts transferred to the account of the State of Maine pursuant to Section 903(d) and Section 903(f) of the federal Social Security Act exceeds the aggregate of the amounts used by the State pursuant to this Act and charged against the amounts transferred to the account of the State of Maine.

For purposes of this section, the amounts obligated under an appropriation for administrative purposes must be charged against transferred amounts at the exact time the obligation is entered into. The appropriation, obligation and expenditure or other disposition of money appropriated under this section must be accounted for in accordance with standards established by the United States Secretary of Labor. Money appropriated as provided in this Act for the payment of administration must be requisitioned as needed for the payment of obligations incurred under the appropriation and, upon requisition, must be deposited in the Employment Security Administration Fund from which payments are made. Money so deposited must, until expended, remain a part of the unemployment fund and, if it will not be immediately expended, must be returned promptly to the account of the State of Maine in the Federal Unemployment Trust Fund.

Sec. 2. Allocation maintaining state unemployment compensation and public employment system. There is allocated out of funds made available to the State under Section 903(d) and Section 903(f) of the federal Social Security Act, as

amended, the sum of \$17,500,000 in accordance with section 1, to be used under the direction of the Department of Labor, for the purpose of maintaining and operating the State's unemployment compensation and public employment system. The uses include both personnel and nonpersonnel administrative costs required to administer the unemployment insurance program, deliver employment assistance services through the Department of Labor's career center system and provide labor market information program services for workers and employers in the State. Prior to using the funds made available to the State under Section 903(f) of the federal Social Security Act, the funds made available to the State under Section 903(d) of the federal Social Security Act must be exhausted.

The amount obligated pursuant to this Act may not exceed at any time the amount by which the aggregate of the amounts transferred to the account of the State of Maine pursuant to Section 903(d) and Section 903(f) of the federal Social Security Act exceeds the aggregate of the amounts obligated for administration and paid out for benefits and required by law to be charged against the amounts transferred to the State of Maine account.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

**LABOR, DEPARTMENT OF
Employment Security Services 0245**

Initiative: Allocates funds for the costs associated with adding 10 Customer Representative Specialist - Benefits positions, 10 Claims Adjudicator positions and 4 Hearings Examiner positions to address understaffing in areas of claims processing, adjudication and appeals.

FEDERAL EXPENDITURES FUND	2013-14	2014-15
POSITIONS - LEGISLATIVE COUNT	0.000	24.000
Personal Services	\$0	\$1,441,277
All Other	\$0	\$576,794
FEDERAL EXPENDITURES FUND TOTAL	\$0	\$2,018,071

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.