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Legislative Document

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S.P. 820

In Senate, May 23, 2023

**An Act to Bolster Maine's Workforce and Economy by Increasing
Assistance for Parents Pursuing Education and Employment and by
Indexing Unemployment Benefits to the Unemployment Rate**

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Labor and Housing suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator STEWART of Aroostook.

Cosponsored by Senators: BALDACCI of Penobscot, MOORE of Washington,

Representatives: BABIN of Fort Fairfield, JAVNER of Chester.

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

2 **Sec. 1. 22 MRSA §3769-G, sub-§1**, as enacted by PL 2019, c. 484, §4, is amended
3 to read:

4 **1. Use of block grant funds.** In fiscal year ~~2020-21~~ 2023-24 and annually thereafter,
5 the department shall provide ~~up to \$2,000,000~~ at least \$5,000,000 in funds provided under
6 the Temporary Assistance for Needy Families block grant to community action agencies
7 designated pursuant to section 5324 or other community-based organizations the
8 department finds qualified pursuant to subsection 3 to assist parents with children as the
9 parents pursue stable employment or education intended to lead to employment. The block
10 grant funds must be used to administer services to families with children with income less
11 than 200% of the nonfarm income official poverty line.

12 **Sec. 2. 26 MRSA §585, sub-§1**, as enacted by PL 1997, c. 387, §2, is amended to
13 read:

14 **1. Agricultural labor.** "Agricultural labor" means agricultural labor as defined in the
15 ~~Employment Security Law, chapter 13~~ Reemployment Assistance Program.

16 **Sec. 3. 26 MRSA §663, sub-§3, ¶A**, as amended by PL 1975, c. 717, §5, is further
17 amended to read:

18 A. Any individual employed in agriculture as defined in the ~~Maine Employment~~
19 ~~Security Law~~ Reemployment Assistance Program and the Federal Unemployment
20 Insurance Tax Law, except when that individual performs services for or on a farm
21 with over 300,000 laying birds;

22 **Sec. 4. 26 MRSA §1041** is amended to read:

23 **§1041. Short title**

24 This chapter ~~shall be~~ is known and may be cited as "the "Employment Security Law
25 Reemployment Assistance Program"."

26 **Sec. 5. 26 MRSA §1043, sub-§16-A** is enacted to read:

27 **16-A. State average unemployment rate.** "State average unemployment rate" means
28 a percentage equal to the average of the 3 months of the most recent 3rd quarter of a
29 calendar year of the seasonally adjusted unemployment rate for the State as published by
30 the Department of Labor.

31 **Sec. 6. 26 MRSA §1164**, as amended by PL 1999, c. 464, §5, is further amended to
32 read:

33 **§1164. Special Administrative Expense Fund**

34 The Special Administrative Expense Fund is created as a special fund in the State
35 Treasury. All interest, fines and penalties collected under this chapter and all voluntary
36 contributions tendered as a contribution to this fund must be paid into this fund. The money
37 may not be expended or available for expenditure in any manner that would permit its
38 substitution for, or a corresponding reduction in, federal funds that would in the absence of
39 that money be available to finance expenditures for the administration of the ~~Employment~~
40 ~~Security Law~~ Reemployment Assistance Program. Nothing in this section prevents the
41 money from being used as a revolving fund to cover expenditures, necessary and proper

1 under the law, for which federal funds have been duly requested but not yet received,
2 subject to the charging of those expenditures against those funds when received. The
3 money in this fund must be used by the commissioner either for the payment of costs of
4 administration that are found not to have been properly and validly chargeable against
5 federal grants or other funds received for or in the Employment Security Administration
6 Fund on or after January 1, 1943, to finance the Maine Wage Assurance Fund established
7 in section 632; for the payment of costs of administering chapter 26, for which federal
8 funds are not available; or to fund activities that will improve the solvency of the
9 Unemployment Compensation Fund. The money must be available either to satisfy the
10 obligations incurred by the bureau directly or by requesting the Treasurer of State to
11 transfer the required amount from the Special Administrative Expense Fund to the
12 Employment Security Administration Fund or the Maine Wage Assurance Fund. The
13 Treasurer of State shall upon receipt of a written request of the commissioner make any
14 such transfer. The commissioner shall give notice to the commission prior to any
15 expenditures from this fund. The commissioner shall order the transfer of the funds or the
16 payment of any such obligation and the funds must be paid by the Treasurer of State on
17 requisitions drawn by the commissioner directing the State Controller to issue the State
18 Controller's warrant for them. The warrant must be drawn by the State Controller based
19 upon bills of particulars and vouchers certified by an officer or employee designated by the
20 commissioner. The money in this fund is specifically made available to replace, within a
21 reasonable time, any money received by this State pursuant to ~~section~~ Section 302 of the
22 Federal Social Security Act as amended that, because of any action or contingency, has
23 been lost or has been expended for purposes other than, or in amounts in excess of, those
24 necessary for the proper administration of the ~~Employment Security Law~~ Reemployment
25 Assistance Program. The money in this fund must be continuously available to the
26 commissioner for expenditure in accordance with this section and may not lapse at any time
27 or be transferred to any other fund except as provided. Any money in the Special
28 Administrative Expense Fund may be used to make refunds of interest, penalties or fines
29 erroneously collected and deposited in the Special Administrative Expense Fund. On June
30 30th of each year all money in excess of \$100,000 in this fund must be transferred to the
31 Unemployment Compensation Fund.

32 **Sec. 7. 26 MRSA §1191, sub-§4**, as amended by PL 2009, c. 271, §2, is further
33 amended to read:

34 **4. Maximum amount of benefits.** The maximum amount of benefits that may be
35 paid to any eligible individual with respect to any benefit year, whether for total or partial
36 unemployment, ~~may not exceed the lesser of 26 is 12~~ times the individual's weekly benefit
37 amount ~~or 33 1/3%, rounded to the nearest dollar, of the individual's total wages paid for~~
38 ~~insured work during the individual's base period, plus the supplemental weekly benefit for~~
39 ~~dependents payable under subsection 6~~ if the state average unemployment rate is at or
40 below 5.5%, plus an additional amount equal to one week of the individual's weekly benefit
41 amount for each 0.5% of the state average unemployment rate above 5.5%, up to a
42 maximum of 20 times the individual's weekly benefit amount.

43 A. If a dislocated worker, as defined in section 1196, subsection 1, who is in training
44 approved under section 1192, subsection 6, 6-A, 6-C, 6-D or 6-E qualifies for
45 additional benefits under section 1043, subsection 5, paragraph B, or exhausts the
46 worker's entitlement to benefits available to the worker under this subsection, the

1 maximum amount under this subsection is the product of the worker's most recent
2 weekly benefit amount multiplied by the number of weeks in which the worker
3 thereafter attends an approved training program. No increase may be made under this
4 paragraph, with respect to any benefit period, greater than ~~26~~ 20 times the individual's
5 weekly benefit amount.

6 (1) Benefits paid to an individual under this paragraph may not be charged against
7 the experience rating record of any employer, but must be charged to the General
8 Fund.

9 (2) No benefits may be paid under this paragraph to any person:

10 (b) Until the person has exhausted benefits for which the person is eligible
11 under any unemployment insurance benefit program funded in whole or in part
12 by the State Government or Federal Government; or

13 (c) Who is eligible for or who has exhausted, after the effective date of this
14 paragraph, trade adjustment allowances as provided by the United States Trade
15 Act of 1974, Title II, Chapter 2, Public Law 93-617, United States Code, Title
16 19, Section 2291, et seq., and any amendments or additions thereto, or a similar
17 successor provision of that Act, except that any individual who was eligible
18 for and received less than ~~26~~ 20 weeks of benefits under the United States
19 Trade Act may receive benefits for the number of weeks by which their
20 benefits under that Act are less than ~~26~~ 20 weeks.

21 **Sec. 8. 26 MRSA §1221, sub-§3, ¶A**, as amended by PL 2019, c. 585, §1, is further
22 amended to read:

23 A. At the time the status of an employing unit is ascertained to be that of an employer,
24 the commissioner shall establish and maintain, until the employer status is terminated,
25 for the employer an experience rating record, to which are credited all the contributions
26 that the employer pays on the employer's own behalf. This chapter may not be
27 construed to grant any employer or individuals in the employer's service prior claims
28 or rights to the amounts paid by the employer into the fund. Benefits paid to an eligible
29 individual under the ~~Employment Security Law~~ Reemployment Assistance Program
30 must be charged against the experience rating record of the claimant's most recent
31 subject employer or to the General Fund if the otherwise chargeable experience rating
32 record is that of an employer whose status as such has been terminated; except that no
33 charge may be made to an individual employer but must be made to the General Fund
34 if the commission finds that:

35 (1) The claimant's separation from the claimant's last employer was for misconduct
36 in connection with the claimant's employment or was voluntary without good cause
37 attributable to the employer;

38 (2) The claimant has refused to accept reemployment in suitable work when
39 offered by a previous employer, without good cause attributable to the employer;

40 (3) Benefits paid are not chargeable against any employer's experience rating
41 record in accordance with section 1194, subsection 11, paragraphs B and C;

42 (5) Reimbursements are made to a state, the Virgin Islands or Canada for benefits
43 paid to a claimant under a reciprocal benefits arrangement as authorized in section
44 1082, subsection 12, as long as the wages of the claimant transferred to the other

1 state, the Virgin Islands or Canada under such an arrangement are less than the
2 amount of wages for insured work required for benefit purposes by section 1192,
3 subsection 5;

4 (6) The claimant was hired by the claimant's last employer to fill a position left
5 open by a Legislator given a leave of absence under chapter 7, subchapter 5-A, and
6 the claimant's separation from this employer was because the employer restored
7 the Legislator to the position after the Legislator's leave of absence as required by
8 chapter 7, subchapter 5-A;

9 (7) The claimant was hired by the claimant's last employer to fill a position left
10 open by an individual who left to enter active duty in the United States military,
11 and the claimant's separation from this employer was because the employer
12 restored the military serviceperson to the person's former employment upon
13 separation from military service;

14 (8) The claimant was hired by the claimant's last employer to fill a position left
15 open by an individual given a leave of absence for family medical leave provided
16 under Maine or federal law, and the claimant's separation from this employer was
17 because the employer restored the individual to the position at the completion of
18 the leave; or

19 (9) The claimant initiated a partial separation or reduction of hours and that partial
20 separation or reduction of hours was agreed to by the employee and employer.

21 **Sec. 9. 26 MRSA §1221-B, sub-§5, ¶C**, as enacted by PL 2001, c. 381, §1, is
22 amended to read:

23 C. Could cause services in the employ of the Indian tribe to be excepted from
24 employment for purposes of obtaining benefits under the ~~Employment Security Law~~
25 Reemployment Assistance Program.

26 **Sec. 10. 36 MRSA §5219-XX, sub-§2**, as amended by PL 2021, c. 181, Pt. A, §13,
27 is further amended to read:

28 **2. Credit allowed.** A taxpayer engaged in the production of renewable chemicals in
29 the State who has complied with subsection 5 and the rules adopted under that subsection
30 is allowed a credit against the tax imposed by this Part on income derived during the taxable
31 year from the production of renewable chemicals in the amount of 8¢ per pound of
32 renewable chemical produced in the State as long as the taxpayer demonstrates to the
33 Department of Economic and Community Development that at least 75% of the employees
34 of the contractors hired or retained to harvest renewable biomass used in the production of
35 the renewable chemicals meet the eligibility conditions specified in the ~~Employment~~
36 Security Law Reemployment Assistance Program.

37 If the taxpayer does not contract directly with those hired or retained to harvest the
38 renewable biomass, the taxpayer may obtain the necessary documentation under this
39 subsection from the landowner or other entity that contracts directly.

40 **Sec. 11. 39-A MRSA §220, sub-§1**, as enacted by PL 1991, c. 885, Pt. A, §8 and
41 affected by §§9 to 11, is amended to read:

42 **1. Reduction for unemployment benefits.** Compensation paid under this Act, except
43 compensation under section 212, subsection 3 and lump sum settlements, to any employee

1 for any period for which the employee is receiving or has received benefits under the
2 ~~Employment Security Law~~ Reemployment Assistance Program, Title 26, chapter 13, must
3 be reduced by the amount of the unemployment benefits.

4 **SUMMARY**

5 This bill increases from up to \$2,000,000 to at least \$5,000,000 the amount of
6 Temporary Assistance for Needy Families block grant funds the Department of Health and
7 Human Services is required to provide to community action agencies to assist parents with
8 children as the parents pursue stable employment or education intended to lead to
9 employment.

10 The bill renames the Employment Security Law the Reemployment Assistance
11 Program and establishes the maximum amount of unemployment benefits at 12 weeks if
12 the State's average unemployment rate is 5.5% or below, with an additional week added for
13 every 0.5% the rate is above 5.5% to a maximum of 20 weeks of benefits.