132<sup>nd</sup> Legislature **Senate of Maine**Senate District 2

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## LD 797, "An Act to Amend the Laws Regarding Work Search Efforts for Unemployment Benefits and to Eliminate Benefits for Temporary Unemployment"

## Joint Standing Committee on Labor March 19, 2025

Senator Tipping, Representative Roeder and Distinguished Members of the Joint Standing Committee on Labor:

I am Trey Stewart; and I represent Senate District 2, which includes several communities in Penobscot and Aroostook Counties. I am here today to present LD 797, "An Act to Amend the Laws Regarding Work Search Efforts for Unemployment Benefits and to Eliminate Benefits for Temporary Unemployment."

Unemployment insurance (UI) is designed to help unemployed workers receive temporary benefits as they search for new employment. Federal law requires that people receiving unemployment benefits are "able and available" to work. Weak state laws around work search requirements and work search verification do not incentivize or support unemployment beneficiaries to return to work and they also drain limited UI resources for others. In a three-year period from mid-2021 through mid-2024, the State of Maine incorrectly paid over \$25 million in unemployment benefits to individuals ineligible to receive those benefits.

LD 797 would strengthen Maine's unemployment compensation work search requirements and improve work search verification efforts. Additionally, passage would most likely lead to quicker re-employment and protect the Maine unemployment trust fund for those who truly need the benefits it provides.

## This measure would:

- Strengthen work search requirements for unemployment compensation by quantifying the number of weekly work search activities as three times per week;
- Eliminate work search waivers that exempt individuals receiving unemployment compensation from work search requirements;
- Improve the work search requirements for unemployment compensation by clearly defining acceptable work search activities and how claimants can submit evidence of these activities to the Department of Labor;

- Require the Maine Department of Labor to verify the accuracy of claimants' reported work search actions prior to paying weekly benefits;
- Eliminate benefits for temporary unemployment.

There are studies that show that clearly defined, measurable work search actions lead to faster reemployment for individuals who are receiving unemployment benefits.

Your thoughtful consideration for this proposal would be much appreciated. Thank you for your time and consideration.