



129th MAINE LEGISLATURE

LD 1911

LR 3028(01)

An Act To Amend the Unemployment Compensation Laws

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Sen. Bellows of Kennebec

Committee: Labor and Housing

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Eliminates need for future appropriation - General Fund

Fiscal Detail and Notes

Under current law, beginning January 1, 2022, unemployment benefits paid to an individual must be charged against the experience rating record of the individual's employers in a ratio inversely proportional to the claimant's employment beginning with the most recent employer. The Bureau of Unemployment Compensation within the Department of Labor has indicated that implementing the changes necessitated by current law would require a one-time General Fund appropriation of \$1.5 million for the cost associated with changes to its computer system. This legislation removes the changes to the experience rating methodology for assessing employer liability of unemployment benefit costs, therefore eliminating the need for a future General Fund appropriation.

Removing the changes to the experience rating methodology for assessing employer liability of unemployment benefit costs will also affect the calculation of individual employers' unemployment tax rates. The impact to employers can not be determined.