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## **An Act To Provide Temporary Changes to the Extended Benefit Triggers in Accordance with the Federal Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010**

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

**Whereas,** there is a federal option that permits the State to use a temporary 3-year look-back period instead of the required 2-year look-back period so the State's long-term unemployed workers can continue to receive extended benefits; and

**Whereas,** effective December 17, 2010, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Public Law 111-312 made changes to the laws governing extended benefits in the unemployment compensation program, under which this option exists, such that in most cases 100% of the benefits paid out under this program would continue to be paid by the federal government for weeks of unemployment beginning after February 17, 2009 and before January 4, 2012 if the trigger thresholds continue to be met; and

**Whereas,** it is likely that as many as 7,100 unemployed workers of the State would benefit from temporary changes to the triggers for extended benefits in the unemployment compensation program if adopted by the State; 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. Insured unemployment rate trigger.** In addition to the conditions provided in the Maine Revised Statutes, Title 26, section 1195, there is a state "on" indicator for a week in the period beginning December 19, 2010 and ending on or before December 31, 2011 or until the date established in federal law permitting a state "on" indicator, whichever is later, if the Commissioner of Labor determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of that week and the immediately preceding 12 weeks the rate of insured unemployment not seasonally adjusted equaled or exceeded 120% of the average of such rates for the corresponding 13-week period ending in each of the preceding 3 calendar years and equaled or exceeded 5%.

There is a state "off" indicator for this State for a week if the Commissioner of Labor determines, in accordance with the regulations of the United States Secretary of Labor, that for the period consisting of that week and the immediately preceding 12 weeks the rate of insured unemployment not seasonally adjusted was less than 120% of the average of such rates for the corresponding 13-week period ending in each of the preceding 3 calendar years or was less than 5%.

**Sec. 2. Alternative trigger.** In addition to the conditions provided in the Maine Revised Statutes, Title 26, section 1195 and Public Law 2009, chapter 33, there is a state "on" indicator for a week in the period beginning December 19, 2010 and ending on or before December 31, 2011 or until the date established in federal law permitting this provision, whichever is later, if:

1. The average rate of seasonally adjusted total unemployment in this State, as determined by the United States Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 6.5%; and

2. The average rate of seasonally adjusted total unemployment in this State, as determined by the United States Secretary of Labor, for the 3-month period referred to in subsection 1 equals or exceeds 110% of the average rate for any or all of the corresponding 3-month periods ending in the 3 preceding calendar years.

There is a state "off" indicator for a week based on the rate of total unemployment only if the period consisting of the most recent 3 months for which data for all states are published before the close of such week does not result in a state "on" indicator.

**Sec. 3. High unemployment period.** In addition to the conditions provided in the Maine Revised Statutes, Title 26, section 1195 and Public Law 2009, chapter 33, there is a state "on" indicator for a week in the period beginning December 19, 2010 and ending on or before December 31, 2011 or until the date established in federal law permitting this provision, whichever is later, if:

1. The average rate of seasonally adjusted total unemployment in this State, as determined by the United States Secretary of Labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 8%; and

2. The average rate of seasonally adjusted total unemployment in this State, as determined by the United States Secretary of Labor, for the 3-month period referred to in subsection 1 equals or exceeds 110% of the average rate for any or all of the corresponding 3-month periods ending in the 3 preceding calendar years.

There is a state "off" indicator for a week based on the rate of total unemployment only if the period consisting of the most recent 3 months for which data for all states are published before the close of such week does not result in a state "on" indicator.

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

## SUMMARY

On December 17, 2010, the United States Congress passed the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Public Law 111-312, which made changes to the laws governing the federal-state unemployment extended benefits program. These changes continued the full federal funding of the extended benefits program through December 31, 2011 and additionally changed the formula for determining when the program "triggers on" to include a look back at the State's unemployment rate experience for the preceding 3 calendar years instead of the 2 years in current statute.

SP0075, LD 224, item 1, 125th Maine State Legislature  
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This temporary 3-year look-back provision change is tied to the continued federal funding of benefits paid out under the extended benefits program and therefore is also set to expire on December 31, 2011.

This bill temporarily changes Maine law to reflect the trigger calculation change. If this change is not made, Maine is projected to "trigger off" extended benefits in March 2011, and it is estimated that approximately 7,100 unemployed Maine workers will lose their benefits under this program.