PLEASE NOTE: Legislative Information *cannot* perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Create the Competitiveness Training Fund and Improve Maine Employment Security Programs

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

PART A

Sec. A-1. 26 MRSA §1166 is enacted to read:

§ 1166. Competitiveness Training Fund

- 1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
 - A. "Competitiveness Training Fund contributions" means the money payments required by this section to be made into the Competitiveness Training Fund by an employer as a percentage of the employer's taxable payroll based on the Competitiveness Training Fund predetermined yield in effect for that Competitiveness Training Fund rate year.
 - B. "Competitiveness Training Fund planned yield" means the percentage of wages, as defined in section 1043, subsection 19, equal to .02% of the contributions of each contributing employer subject to this chapter.
 - C. "Competitiveness Training Fund predetermined yield" means the amount determined by multiplying the ratio of total wages to taxable wages, as defined by section 1221, subsection 6, paragraph L, by the Competitiveness Training Fund planned yield. The Competitiveness Training Fund predetermined yield is rounded to the nearest .01%.
 - D. "Competitiveness Training Fund rate year" has the same meaning as "rate year" under section 1221, subsection 6, paragraph F.
- **2. Established.** The Competitiveness Training Fund, referred to in this section as "the fund," is established. All receipts, including interest, fines and penalties collected from Competitiveness Training Fund contributions, must be paid into the fund. Income from investment of the fund must be deposited to the credit of the fund. All money in the fund must be deposited, administered and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds.

The money in the fund must be administered by the commissioner exclusively for the purposes of chapter 25, subchapter 5 and for the costs of administering the fund.

3. Employers liable for Competitiveness Training Fund contribution. Each employer, other than an employer liable for a payment in lieu of a contribution, shall pay a Competitiveness Training Fund contribution.

Beginning January 1, 2008, Competitiveness Training Fund contributions are payable in the same manner as described under section 1221, subsection 1 and in accordance with section 1221, subsection 4-A.

- **4. Receipts.** All receipts collected from Competitiveness Training Fund contributions, including interest, fines and penalties on contributions not paid when due, must be paid into the fund.
- 5. Experience rating records. Competitiveness Training Fund contributions may not be credited to an employer's experience rating record as described in section 1221, subsection 3.
- 6. Relationship to unemployment insurance contributions. Competitiveness Training Fund contributions may not be considered as part of the employer's unemployment insurance contribution rate pursuant to section 1221. Unemployment insurance contributions for all employers subject to the contribution provisions of this chapter must be reduced by a percentage equal to the total Competitiveness Training Fund contribution assessment as in section 1221, subsection 4-A. Exceptions pertaining to new employer rates and contribution rate category 20 are described in section 1221, subsection 4-A, paragraphs A and B.
- 7. Other provisions of this chapter. All provisions of this chapter and rules adopted under this chapter regarding payments, time limits, dates of payment, reports, interest and penalties on amounts not paid by employers when due, fines, liens and warrants that apply to the collection of contributions also apply to the collection of Competitiveness Training Fund contributions.
- **Sec. A-2. 26 MRSA §1221, sub-§4-A,** as amended by PL 1999, c. 740, §2, is further amended to read:
- **4-A. Employer's experience classifications after January 1, 2000.** For rate years commencing on or after January 1, 2000, the commissioner shall compute annually contribution rates for each employer based on the employer's own experience rating record and shall designate a schedule and planned yield.
 - A. The standard rate of contributions is 5.4%. A contributing employer's rate may not be varied from the standard rate unless the employer's experience rating record has been chargeable with benefits throughout the period of 24 consecutive calendar months ending on the computation date applicable to such a year. A contributing employer newly subject to this chapter shall pay contributions at a rate equal to the greater of the predetermined yield or 1.0% until the employer's experience rating record has been chargeable with benefits throughout the period of 24 consecutive calendar months ending on the computation date applicable to such a year. For rate years thereafter, the employer's contribution rate is determined in accordance with this subsection and subsection 3.

Effective January 1, 2008, the contribution rate must be reduced by the Competitiveness Training Fund predetermined yield as defined in section 1166, subsection 1, paragraph C, except that a contribution rate under this paragraph may not be reduced below 1%.

- B. Subject to paragraph A, an employer's contribution rate for the 12-month period commencing January 1st of each year is based upon the employer's experience rating record and determined from the employer's reserve ratio. The employer's reserve ratio is the percent obtained by dividing the amount, if any, by which the employer's contributions, credited from the time the employer first or most recently became an employer, whichever date is later, up to and including June 30th of the preceding year, including any part of the employer's contributions due for that year paid on or before July 31st of that year, exceed the employer's benefits charged during the same period, by the employer's average annual payroll for the period of 36 consecutive months ending June 30th of the preceding year. The employer's contribution rate is determined under subparagraphs (1) to (7)(8).
 - (1) The commissioner shall prepare a schedule listing all employers for whom a reserve ratio has been computed pursuant to this paragraph, in the order of their reserve ratios, beginning with the highest ratio. For each employer, the schedule must show:
 - (a) The amount of the employer's reserve ratio;
 - (b) The amount of the employer's annual taxable payroll; and
 - (c) A cumulative total consisting of the amount of the employer's annual taxable payroll plus the amount of the annual taxable payrolls of all other employers preceding the employer on the list.
 - (2) The commissioner shall segregate employers into contribution categories in accordance with the cumulative totals under subparagraph (1), division (c). The contribution category is determined by the cumulative payroll percentage limits in column B. Each contribution category is identified by the contribution category number in column A that is opposite the figures in column B, which represent the percentage limits of each contribution category. If an employer's taxable payroll falls in more than one contribution category, the employer must be assigned to the lower-numbered contribution category, except that an employer may not be assigned to a higher contribution category than is assigned any other employer with the same reserve ratio.

Α	В	С	D	Е
Contribution	% of Taxable Payrolls F	rom Experience	Phase-in	Phase-in
Category	To	Factors	Experience	Experience
			Factors 2002	Factors 2000
			and 2003	and 2001
1	00.00 05.0	0 .30	.38750	.4750

2	05.01	10.00	.35	.43125	.5125
3	10.01	15.00	.40	.47500	.5500
4	15.01	20.00	.45	.51875	.5875
5	20.01	25.00	.50	.56250	.6250
6	25.01	30.00	.55	.60625	.6625
7	30.01	35.00	.60	.65000	.7000
8	35.01	40.00	.65	.69375	.7375
9	40.01	45.00	.70	.73750	.7750
10	45.01	50.00	.75	.78125	.8125
11	50.01	55.00	.80	.82500	.8500
12	55.01	60.00	.90	.91250	.9250
13	60.01	65.00	1.00	1.00000	1.0000
14	65.01	70.00	1.10	1.08750	1.0750
15	70.01	75.00	1.25	1.21875	1.1875
16	75.01	80.00	1.40	1.35000	1.3000
17	80.01	85.00	1.60	1.52500	1.4500
18	85.01	90.00	1.90	1.78750	1.6750
19	90.01	95.00	2.20	2.05000	1.9000
20	95.01	100.00	2.60	2.40000	2.2000

(3) The Until January 1, 2008, the commissioner shall compute a reserve multiple to determine the schedule and planned yield in effect for a rate year. The reserve multiple is determined by dividing the fund reserve ratio by the average benefit cost rate. The determination date is October 31st of each calendar year. The schedule and planned yield that apply for the 12-month period commencing every January 1st are shown on the line of the following table that corresponds with the applicable reserve multiple in column A, except that a planned yield of 1.1% must be in effect for the 12-month period commencing January 1, 2000. This subparagraph is repealed January 1, 2008.

Α	В	С
Reserve	Schedule	Planned
Multiple		Yield
Over 1.83	Α	0.6%
1.75 - 1.83	В	0.7%
1.68 - 1.74	С	0.8%
1.58 - 1.67	D	0.9%
1.50 - 1.57	Е	1.0%
.50 - 1.49	F	1.1%
.2549	G	1.2%
Under .25	Н	1.3%

(3-A) Beginning January 1, 2008, the commissioner shall compute a reserve multiple to determine the schedule and planned yield in effect for a rate year. The reserve multiple is determined by dividing the fund reserve ratio by the average benefit cost rate. The determination

date is October 31st of each calendar year. The schedule and planned yield that apply for the 12-month period commencing on January 1, 2008 and every January 1st thereafter are shown on the line of the following table that corresponds with the applicable reserve multiple in column A.

<u>A</u>	<u>B</u>	<u>C</u>
Reserve	<u>Schedule</u>	<u>Planned</u>
<u>Multiple</u>		<u>Yield</u>
Over 1.58	<u>A</u>	<u>0.6%</u>
<u> 1.50 - 1.57</u>	<u>B</u>	<u>0.7%</u>
<u>1.42 - 1.49</u>	<u>C</u>	<u>0.8%</u>
<u>1.33 - 1.41</u>	<u>D</u>	<u>0.9%</u>
<u>1.25 - 1.32</u>	<u>E</u>	<u>1.0%</u>
<u>.50 - 1.24</u>	<u>F</u>	<u>1.1%</u>
<u>.2549</u>	<u>G</u>	<u>1.2%</u>
<u>Under .25</u>	<u>H</u>	<u>1.3%</u>

- (4) The commissioner shall compute the predetermined yield by multiplying the ratio of total wages to taxable wages for the preceding calendar year by the planned yield.
- (5) The commissioner shall determine the contribution rates effective for a rate year by multiplying the predetermined yield by the experience factors for each contribution category. Contribution category 20 in the table in subparagraph (2) must be assigned a contribution rate of at least 5.4%. The employer's experience factor is the percentage shown in column C in the table in subparagraph (2) that corresponds with the employer's contribution category in column A, except that the experience factors in column E must be used to determine the contribution rates for rate years 2000 and 2001 and those in column D must be used for rate years 2002 and 2003.
- (6) If, subsequent to the assignment of contribution rates for a rate year, the reserve ratio of an employer is recomputed and changed, the employer must be placed in the position on the schedule prepared pursuant to subparagraph (1) that the employer would have occupied had the corrected reserve ratio been shown on the schedule. The altered position on the schedule does not affect the position of any other employer.
- (7) In computing the contribution rates, only the wages reported by employers liable for payment of contributions into the fund and net benefits paid that are charged to an employer's experience rating record or to the fund are considered in the computation of the average benefit cost rate and the ratio of total wages to taxable wages.
- (8) Beginning January 1, 2008, all contribution rates must be reduced by the Competitiveness Training Fund predetermined yield as defined in section 1166, subsection 1, paragraph C, except that contribution category 20 under this paragraph may not be reduced below 5.4%.

C. The commissioner shall:

- (1) Promptly notify each employer of the employer's rate of contributions as determined for the 12-month period commencing January 1st of each year. The determination is conclusive and binding upon the employer unless within 30 days after notice of the determination is mailed to the employer's last known address or, in the absence of mailing, within 30 days after the delivery of the notice, the employer files an application for review and redetermination, setting forth the employer's reasons. If the commission grants the review, the employer must be promptly notified and must be granted an opportunity for a hearing. An employer does not have standing in any proceedings involving the employer's rate of contributions or contribution liability to contest the chargeability to the employer's experience rating record of any benefits paid in accordance with a determination, redetermination or decision pursuant to section 1194, except upon the ground that the services for which benefits were found to be chargeable did not constitute services performed in employment for the employer and only when the employer was not a party to the determination, redetermination or decision or to any other proceedings under this chapter in which the character of the services was determined. The employer must be promptly notified of the commission's denial of the employer's application or the commission's redetermination, both of which are subject to appeal pursuant to Title 5, chapter 375, subchapter VII7; and
- (2) Provide each employer at least monthly with a notification of benefits paid and chargeable to the employer's experience rating record. In the absence of an application for redetermination filed in the manner and within the period prescribed by the commission, a notification is conclusive and binding upon the employer for all purposes. A redetermination made after notice and opportunity for hearing and the commission's findings of fact may be introduced in subsequent administrative or judicial proceedings involving the determination of the rate of contributions of an employer for the 12-month period commencing January 1st of any year and has the same finality as provided in this section with respect to the findings of fact made by the commission in proceedings to redetermine the contribution rates of an employer.
- D. Notwithstanding the provisions of this subsection, contributions may not be reduced by the Competitiveness Training Fund predetermined yield as defined in section 1166, subsection 1, paragraph C for any rate year in which contribution rate schedule H under paragraph B is to be in effect.

Sec. A-3. 26 MRSA c. 25, sub-c. 5 is enacted to read:

SUBCHAPTER 5

Competitiveness Training Program

§ 2033. Competitiveness Training Program

- 1. **Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
 - A. "Department" means the Department of Labor.
 - B. "Fund" means the Competitiveness Training Fund established in accordance with section 1166. Money in the fund may be used to pay for the operation, services and assistance provided through the Competitiveness Training Program as well as certain costs associated with the administration of the program.
 - C. "Participant" means an eligible individual enrolled in the program.
 - D. "Plan" means the individual career plan that must be provided to each eligible participant in accordance with subsection 8.
 - E. "Program" means the Competitiveness Training Program established in subsection 2.
- 2. Program established. The department shall establish and administer an employment training program known as the Competitiveness Training Program. The purpose of the program is to provide individuals with access to education, training and support leading to skilled, well-compensated jobs with anticipated high employment demand, to improve the economic well-being of the participants in the program and to provide employers with a skilled labor force in accordance with the provisions of this section.

The commissioner may expend funds through the department's career centers from the fund for the costs of education, training and support in accordance with subsection 6, for career counseling and for the administration of the program. Career counseling must include developing a plan and assisting a participant in accessing the support necessary for the participant to participate in the plan. The commissioner shall establish a limit on or a formula that limits the proportion of program funds that are expended on career counseling and for administration.

- 3. Notice. The department shall provide notice, including individual written notice, signs and other effective outreach methods, to inform people of the program and the education, training and support available from or through the program to individuals seeking work, education or training in the department's career centers.
- **4. Criteria for education and training approved under the program.** Education or training for a participant must meet the criteria set out in this subsection.
 - A. The education or training provided through the program must be for employment in industries with significant demand for skilled labor that have been:
 - (1) Identified by the Division of Labor Market Information Services as providing opportunity for employment in jobs with high compensation;

- (2) Recommended by the Maine Jobs Council; and
- (3) Approved by the Governor or the Governor's designee.
- B. Education or training approved under this section must result in a postsecondary certificate, degree or similar credential that is universally recognized and accepted by the trade or industry in which the participant intends to seek employment and that is likely to provide opportunity for employment in jobs that will provide substantial improvement in the participant's earnings and benefits.
- 5. Eligibility criteria. Within the limits of available program resources, enrollment in the program must be granted if the individual applying for enrollment:
 - A. Is at least 18 years old;
 - B. Does not have a marketable postsecondary degree;
 - C. Has income less than 200% of the federal poverty level for the family size involved;
 - D. Is applying for education or training for a job in an industry approved under subsection 4; and
 - E. Has the aptitude to undertake and complete education or training as determined by the institution providing the education or training.
- 6. Provision of education, training and support. Payment for education, training and support included in a participant's plan must be furnished promptly to, or on behalf of, a participant.
 - A. The program must provide to a participant, in accordance with rules adopted by the department, when those supplies and services are not reasonably available from another recognized program and are necessary to carry out that participant's plan:
 - (1) Books, supplies, tools and equipment required by the participant's plan;
 - (2) Child care, transportation and other necessary support as determined by the department; and
 - (3) Assistance needed to obtain remedial or prerequisite education necessary for the participant to participate successfully in the program.

Money for mandatory fees or tuition may not be provided unless the participant is not eligible for necessary funds from other public grants or scholarships reasonably available to the participant for this purpose.

- B. The department shall establish by rule a maximum limit on the amount of assistance available to participants. This limit may be waived by the commissioner if the commissioner determines it is necessary, prudent and consistent with the goals of the program under the circumstances.
- 7. Application; decision; appeal. An individual must be given the opportunity to make a written application for education, training and support available from the program and be given a prompt written decision from the department specifically indicating the type and amount of services approved or denied. Any decision related to eligibility for, or the provision of, services under this section must provide notice that the decision may be appealed by the individual through a request for a hearing within 30 days of receipt of the decision in accordance with rules adopted by the department and consistent with Title 5, chapter 375, subchapter 4. The 30-day appeal period may be extended up to 15 additional days if the claimant can show good cause for failing to appeal within the initial 30-day period.
- **8.** Individual career plan. This subsection governs the development of a plan for a participant.
 - A. When an individual's application for the program is approved, the individual must receive an individual career plan that must be consistent with the provisions of this section and reflect, to the maximum extent feasible, the preferences of the participant. A plan may be modified when necessary to assist a participant to participate successfully in the program. The plan must include the education or training program approved, the degree or credential expected at program completion and the services to be provided under the plan.
 - B. Prior to the establishment of a plan, a participant must be given:
 - (1) A complete list of all education, training and support available from the program, including nontraditional employment opportunities, so that the participant may identify a suitable employment goal and the services needed to participate in the program;
 - (2) The opportunity to learn about and examine relevant labor market information related to identified industries and the participant's employment preference;
 - (3) If the participant's employment goal is an occupation for which an apprenticeship may be available, information about the department's apprenticeship program under chapter 33; and
 - (4) Information about and assistance in applying for other services that will assist the participant in succeeding in the plan and prevent any unnecessary expenditure of resources by the program, including federal financial aid provided under the federal Higher Education Act of 1965, 20 United States Code, Chapter 28; the state and federal earned income tax credit; health care resources; unemployment compensation; dislocated worker benefits; trade adjustment assistance; and other services available from other departments of State Government including the Department of Health and Human Services.

- **9. Rules.** The commissioner shall adopt rules to implement the program in a manner that maximizes successful education and training opportunities for participants and to provide for its fair and efficient administration in accordance with this section. Rules adopted under this subsection are routine technical rules and must be adopted in accordance with Title 5, chapter 375, subchapter 2-A.
- 10. Monitoring, evaluation and annual report. The department shall implement a comprehensive evaluation strategy that evaluates the fund, using both quantitative and qualitative data and including an analysis of the return on investment in the fund. The evaluation must consider, at a minimum, the following factors: the value of total compensation, including, but not limited to, health insurance and other benefits to those participating in training; the impact of the program on the Unemployment Compensation Fund; the impact on productivity and performance for employers; and the impact on meeting the demand for skilled workers in industries in this State. The evaluation must measure the impact of the program over time, including a longitudinal analysis that captures productivity and other outcomes related to the program. The department must submit a report to the joint standing committee of the Legislature having jurisdiction over labor matters by February 1st of each year on the status of the program and on the evaluation data collected and analyzed.

PART B

- Sec. B-1. 26 MRSA §1193, sub-§9, as enacted by PL 1981, c. 149, §4, is repealed.
- **Sec. B-2. 26 MRSA §1193, sub-§10** is enacted to read:
- 10. Receiving pension. Except as provided in this subsection, for any week with respect to which the individual is receiving a governmental or other pension, retirement or retired pay, annuity or any other similar periodic payment under a plan maintained or contributed to by a base period or chargeable employer.
 - A. The individual receives benefits with no reduction under this subsection if:
 - (1) The individual is receiving a pension paid under the United States Social Security Act or any other pension or plan to which the individual made at least 50% of the contributions;
 - (2) All contributions to the plan were made by the individual and an employer or any other person or organization who is not a base period or chargeable employer; or
 - (3) The services performed for the employer by the individual during the base period, or remuneration received for these services, did not affect the individual's eligibility for, or increase the amount of, that pension, retirement or retired pay, annuity or similar payment.

B. If the individual contributed to the plan, but not at least 50% of the contributions, the individual receives a benefit reduced by the prorated weekly amount of the pension after deduction of that portion of the pension that is directly attributable to the percentage of the contributions made to the plan by that individual. The benefit may not be reduced below zero.

PART C

- **Sec. C-1. 26 MRSA §1192, sub-§3, ¶A,** as amended by PL 2005, c. 454, §1, is further amended to read:
 - A. Notwithstanding this subsection, beginning January 1, 2004, an individual who is not available for full-time work as required in this subsection is not disqualified from receiving benefits if:
 - (1) The individual worked less than full time for a majority of the weeks during that individual's base period and the individual is able and available for and actively seeking part-time work for at least the number of hours in a week comparable to those customarily worked in part-time employment during that individual's base period; or
 - (2) The individual worked full time for a majority of the weeks during that individual's base period, but is able and available for and actively seeking only part-time work because of the illness or disability of an immediate family member or because of limitations necessary for the safety or protection of the individual or individual's immediate family member.

This paragraph does not apply to a person who applies for benefits after September 30, 2008. This paragraph continues to apply to a person who applies for benefits on or before September 30, 2008 until that person has exhausted benefits payable under that application.

PART D

Sec. D-1. Money credited to State of Maine account in Unemployment Trust Fund under Section 903(d) 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 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 of this Part. That use is permissible only if the expenses are incurred and the money is requisitioned after the effective date of a law making an appropriation that specifies 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) of the federal Social Security Act exceeds the aggregate of the amounts used by the State pursuant to this Part 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 Part 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. D-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) of the federal Social Security Act, as amended, the sum of \$5,200,000 in accordance with section 1, to be used under the direction of the Maine Department of Labor, for the purpose of maintaining and operating the State's unemployment compensation and public employment system. The uses include making needed technological improvements and upgrades to the unemployment insurance, employment services and labor market information services computer systems as they pertain to the analysis of unemployment information. It also includes administrative funding to help unemployment benefit recipients return to work more quickly.

The amount obligated pursuant to this Part 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) 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.

SUMMARY

Part A establishes the Competitiveness Training Program to provide access to education, training and supports to customers of the Department of Labor's career centers to prepare them for high-wage jobs in industries with significant demand for skilled labor designated by the department. Part A also establishes the Competitiveness Training Fund. This fund receives payments from employers that are paid simultaneously with their unemployment insurance contributions. These payments are offset by a reduction in their unemployment insurance contributions. The net effect on employers of the fund payments and the reduction in unemployment compensation contributions is zero.

Part A also reduces the benefit reserve cap on the Unemployment Trust Fund from 21 months to 18 months, giving employers a reduction in unemployment taxes for the first 2 years following implementation.

HP1317, LD 1884, item 1, 123rd Maine State Legislature An Act To Create the Competitiveness Training Fund and Improve Maine Employment Security Programs

Part B eliminates the pension offset against unemployment benefits for persons who receive social security or any other pension or plan to which the individual made at least 50% of the contributions. If the person contributed some amount to the pension, but less than 50%, the offset is made after deduction of that portion of the pension that is directly attributable to the percentage of the contributions made to the pension by that person.

Part C provides for the continuation of the unemployment compensation provision that permits certain people who are able and available for part-time work to receive unemployment benefits.

Part D provides for the distribution to the Department of Labor federal funds under the Reed Act. In 2002, Maine received \$32,486,816 in Reed Act funds. Under federal law, these funds may be used only to maintain the State's unemployment and public employment system or to pay regular unemployment benefits. Part D authorizes the use of \$5,200,000 of Reed Act funds to make technological upgrades and improvements to the unemployment insurance and employment services computer systems as well as improvements to the labor market information services computer systems as they pertain to the analysis of unemployment and employment data. Additionally, a portion of these funds will be used to pay the administrative costs associated with helping unemployment benefit recipients return to work more quickly and to reduce the benefit costs of the unemployment insurance program.