

# SENATE BILL 817

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EMERGENCY BILL

11r2083  
CF HB 907

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By: **Senator Klausmeier (Chair, Joint Committee on Unemployment Insurance Oversight)**

Introduced and read first time: February 9, 2021

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 27, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Unemployment Insurance – Study on System Reforms**

3 FOR the purpose of requiring the Maryland Department of Labor, in consultation with the  
4 Department of Legislative Services, to study and make recommendations regarding  
5 reforms to the unemployment insurance system in the State; specifying the scope of  
6 the study; requiring the Maryland Department of Labor to report, at a certain  
7 interval, to the Department of Legislative Services and the co–chairs of the Joint  
8 Committee on Unemployment Insurance Oversight ~~and~~, to consult with certain other  
9 agencies and stakeholders for certain purposes, and to examine and consider a  
10 certain report or recommendation; requiring the Maryland Department of Labor to  
11 submit an interim and a final report to certain committees of the General Assembly  
12 on or before certain dates; making this Act an emergency measure; and generally  
13 relating to unemployment insurance.

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
15 That:

16 (a) (1) The Maryland Department of Labor, in consultation with the  
17 Department of Legislative Services, shall study and make recommendations regarding  
18 reforms to the unemployment insurance system in the State.

19 (2) The Maryland Department of Labor shall study:

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (i) expanded eligibility for unemployment benefits for various types  
2 of workers, including ~~self-employed individuals~~; individuals who:

3 1. are employed on a seasonal or temporary basis;

4 2. have received benefits during the pandemic but are not  
5 eligible for regular unemployment benefits; or

6 3. leave their job for family reasons or due to job schedule  
7 volatility;

8 (ii) the costs and benefits of increasing:

9 1. the maximum weekly benefit amount, including costs and  
10 benefits of indexing the weekly benefit amount to account for inflationary change;

11 2. the allowance that claimants receive for their dependents;  
12 and

13 3. the income disregard for part-time work;

14 (iii) alternative approaches to the experience rating process,  
15 including:

16 1. the feasibility of establishing a new waiver for benefit  
17 charges incurred during an unemployment insurance crisis; and

18 2. potential methods for minimizing the impact on an  
19 employer's experience rating when the employer establishes a work sharing agreement  
20 with the Maryland Department of Labor under Title 8, Subtitle 12 of the Labor and  
21 Employment Article;

22 (iv) the establishment of clear standards for when an employee is  
23 entitled to claim unemployment insurance benefits if the employee:

24 1. leaves a job due to unsafe working conditions;

25 2. leaves a job in order to guard against an unreasonable risk  
26 of infection;

27 3. is terminated for refusing to work under unsafe work  
28 conditions; or

29 4. declines to accept work due to unsafe work conditions;

30 (v) the existing penalties for fraud and the need for enhancing or  
31 altering those penalties;

1                   (vi) the solvency of the Unemployment Insurance Trust Fund, as  
2 adjusted based on implementation of each of the system reforms studied under this  
3 paragraph; and

4                   (vii) any other issue that the Maryland Department of Labor  
5 determines is necessary to include in its evaluation of the State's unemployment insurance  
6 system.

7           (b) In conducting the study and making recommendations, the Maryland  
8 Department of Labor shall:

9                   (1) report monthly to the Department of Legislative Services and the  
10 co-chairs of the Joint Committee on Unemployment Insurance Oversight on the status of  
11 the study; ~~and~~

12                   (2) as necessary or appropriate, consult with the U.S. Department of Labor,  
13 other state agencies that administer unemployment insurance programs, and a diverse  
14 group of stakeholders to better inform recommendations; and

15                   (3) examine and consider any report or recommendation made by the  
16 National Academy of Social Insurance Unemployment Insurance Task Force of 2021.

17           (c) (1) On or before July 1, 2021, the Maryland Department of Labor shall  
18 submit an interim report outlining actions taken in furtherance of the study to the Joint  
19 Committee on Unemployment Insurance Oversight, in accordance with § 2-1257 of the  
20 State Government Article.

21                   (2) On or before December 1, 2021, the Maryland Department of Labor  
22 shall report its findings and recommendations to the Governor and the Senate Finance  
23 Committee, the House Economic Matters Committee, and the Joint Committee on  
24 Unemployment Insurance Oversight, in accordance with § 2-1257 of the State Government  
25 Article.

26           SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
27 measure, is necessary for the immediate preservation of the public health or safety, has  
28 been passed by a ye and nay vote supported by three-fifths of all the members elected to  
29 each of the two Houses of the General Assembly, and shall take effect from the date it is  
30 enacted.