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**By: Senator Astle**

Introduced and read first time: February 2, 1996

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance - Reimbursing Not For Profit Employers - Exemption From**  
3 **Reimbursement**

4 FOR the purpose of providing that if a reimbursing not for profit organization has  
5 employed a claimant on a continuous part-time basis and continues to do so while  
6 the claimant is separated from other employment, the wages paid to the claimant by  
7 the not for profit organization may not be used to determine whether the claimant  
8 is eligible for benefits or the claimant's weekly benefit amount; providing that if a  
9 claimant employed by a reimbursing not for profit organization on a continuous  
10 part-time basis continues to be employed by the not for profit organization while  
11 separated from other employment and is eligible for benefits because of that  
12 separation, the not for profit organization may not be required to reimburse the  
13 Unemployment Insurance Fund for the benefits paid to the claimant; and generally  
14 relating to reimbursing not for profit employers.

15 BY repealing and reenacting, with amendments,  
16 Article - Labor and Employment  
17 Section 8-616  
18 Annotated Code of Maryland  
19 (1991 Volume and 1995 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
21 MARYLAND, That the Laws of Maryland read as follows:

22 **Article - Labor and Employment**

23 8-616.

24 (a) A not for profit organization or a governmental entity that has been  
25 determined to be an employing unit may make an election in accordance with this Part  
26 III.

27 (b) (1) Under an election, a not for profit organization shall reimburse the  
28 Unemployment Insurance Fund for all regular and work sharing benefits and 50% of  
29 extended benefits that are:

30 [(1)] (I) attributable to covered employment for the not for profit  
31 organization; and

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1                    [(2)] (II) paid to individuals for any week of unemployment that begins  
2 during the effective period of the election.

3                    (2) IF A REIMBURSING NOT FOR PROFIT ORGANIZATION HAS  
4 EMPLOYED A CLAIMANT ON A CONTINUOUS PART-TIME BASIS AND CONTINUES TO  
5 DO SO WHILE THE CLAIMANT IS SEPARATED FROM OTHER EMPLOYMENT, THE  
6 WAGES PAID TO THE CLAIMANT BY THE NOT FOR PROFIT ORGANIZATION MAY NOT  
7 BE USED TO DETERMINE:

8                    (I) WHETHER THE CLAIMANT IS ELIGIBLE FOR BENEFITS  
9 BECAUSE OF THE SEPARATION FROM OTHER EMPLOYMENT UNDER § 8-802 OF THIS  
10 TITLE; OR

11                    (II) THE CLAIMANT'S WEEKLY BENEFIT AMOUNT UNDER § 8-803 OF  
12 THIS TITLE.

13                    (3) IF A CLAIMANT EMPLOYED BY A REIMBURSING NOT FOR PROFIT  
14 ORGANIZATION ON A CONTINUOUS PART-TIME BASIS CONTINUES TO BE EMPLOYED  
15 BY THE NOT FOR PROFIT ORGANIZATION WHILE SEPARATED FROM OTHER  
16 EMPLOYMENT AND IS ELIGIBLE FOR BENEFITS BECAUSE OF THAT SEPARATION, THE  
17 NOT FOR PROFIT ORGANIZATION MAY NOT BE REQUIRED TO REIMBURSE THE  
18 UNEMPLOYMENT INSURANCE FUND FOR THE BENEFITS PAID TO THE CLAIMANT  
19 BECAUSE OF THAT SEPARATION.

20                    (c) Under an election, a governmental entity shall reimburse the Unemployment  
21 Insurance Fund for all regular, work sharing, and extended benefits that are:

22                    (1) attributable to covered employment for the governmental entity; and

23                    (2) paid to individuals for any week of unemployment that begins during the  
24 effective period of the election.

25                    SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 1996.