
By: Delegates Gordon, Harrison, Kach, Krysiak, McClenahan, and V. Mitchell

Introduced and read first time: January 22, 1996

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 13, 1996

CHAPTER ____

1 AN ACT concerning

2 Unemployment Insurance - Dismissal Payments and Wages in Lieu of Notice

3 FOR the purpose of providing that certain individuals who are otherwise eligible for
4 unemployment insurance benefits under certain circumstances are not eligible for
5 benefits for each week that they receive certain dismissal payments or wages in lieu
6 of notice and certain employee benefits; making stylistic changes; and generally
7 relating to disqualification from receiving unemployment insurance benefits
8 because of the receipt of dismissal pay, wages in lieu of notice, and employee
9 benefits.

10 BY repealing and reenacting, with amendments,
11 Article - Labor and Employment
12 Section 8-1009
13 Annotated Code of Maryland
14 (1991 Volume and 1995 Supplement)

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

17 **Article - Labor and Employment**

18 8-1009.

19 (a) (1) This [section does not apply] SUBSECTION APPLIES to unemployment
20 that [results] DOES NOT RESULT from abolishment of the individual's job.

21 [(b)] (2) For each week [for which] THAT the Secretary finds [that] an
22 individual who otherwise is eligible for benefits receives [or files] or is eligible [to file a
23 claim for] TO RECEIVE dismissal payment or wages in lieu of notice, regardless of
24 whether the payment is required by law:

2

1 [(1)] (I) if the payment at least equals the individual's weekly benefit
2 amount, the individual is disqualified from receiving benefits; or

3 [(2)] (II) if the payment is less than the individual's weekly benefit amount,
4 the individual may receive benefits reduced by the amount of the payment.

5 [(c)] (3) Dismissal payment or wages in lieu of notice shall be allocated to a
6 number of weeks following separation from employment that equals the number of weeks
7 of wages received.

8 (B) (1) THIS SUBSECTION APPLIES TO UNEMPLOYMENT THAT RESULTS
9 FROM THE ABOLISHMENT OF AN INDIVIDUAL'S JOB.

10 (2) AN INDIVIDUAL WHO IS OTHERWISE ELIGIBLE FOR BENEFITS MAY
11 NOT RECEIVE BENEFITS FOR EACH WEEK THAT THE SECRETARY FINDS THAT THE
12 INDIVIDUAL RECEIVES OR IS ELIGIBLE TO RECEIVE DISMISSAL PAYMENT
13 CONSISTING OF THE SAME WAGE AMOUNT AND EMPLOYEE BENEFITS PACKAGE
14 THAT THE INDIVIDUAL RECEIVED WHILE EMPLOYED OR WAGES IN LIEU OF NOTICE
15 CONSISTING OF THE SAME WAGE AMOUNT AND EMPLOYEE BENEFITS PACKAGE
16 THAT THE INDIVIDUAL RECEIVED WHILE EMPLOYED, REGARDLESS OF WHETHER
17 EITHER THE DISMISSAL PAYMENT OR WAGES IN LIEU OF NOTICE IS REQUIRED BY
18 LAW.

19 (3) AN INDIVIDUAL WHO IS OTHERWISE ELIGIBLE FOR BENEFITS MAY
20 RECEIVE BENEFITS AND THE BENEFITS MAY NOT BE REDUCED ACCORDING TO
21 PARAGRAPH (A)(2) OF THIS SECTION FOR EACH WEEK THAT THE SECRETARY FINDS
22 THAT THE INDIVIDUAL RECEIVES OR IS ELIGIBLE TO RECEIVE DISMISSAL PAYMENT
23 IN AN AMOUNT THAT IS LESS THAN THE AMOUNT OF WAGES AND EMPLOYEE
24 BENEFITS PACKAGE THAT THE INDIVIDUAL RECEIVED WHILE EMPLOYED OR
25 WAGES IN LIEU OF NOTICE IN AN AMOUNT THAT IS LESS THAN THE AMOUNT OF
26 WAGES AND EMPLOYEE BENEFITS PACKAGE THAT THE INDIVIDUAL RECEIVED
27 WHILE EMPLOYED, REGARDLESS OF WHETHER EITHER THE DISMISSAL PAYMENT
28 OR WAGES IN LIEU OF NOTICE IS REQUIRED BY LAW.

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