
By: Senator Astle

Introduced and read first time: February 2, 1996

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 6, 1996

CHAPTER ____

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 todo 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 whetherthe 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 becauseof 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; providing for
14 the application and effective date of this Act; and generally relating to reimbursing
15 not for profit employers.

16 BY repealing and reenacting, with amendments,
17 Article - Labor and Employment
18 Section 8-616
19 Annotated Code of Maryland
20 (1991 Volume and 1995 Supplement)

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

2

1 **Article - Labor and Employment**

2 8-616.

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

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

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

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

13 ~~(2) IF A REIMBURSING NOT FOR PROFIT ORGANIZATION HAS
14 EMPLOYED A CLAIMANT ON A CONTINUOUS PART-TIME BASIS AND CONTINUES TO
15 DO SO WHILE THE CLAIMANT IS SEPARATED FROM OTHER EMPLOYMENT, THE
16 WAGES PAID TO THE CLAIMANT BY THE NOT FOR PROFIT ORGANIZATION MAY NOT
17 BE USED TO DETERMINE:~~

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

21 ~~(II) THE CLAIMANT'S WEEKLY BENEFIT AMOUNT UNDER § 8-803 OF
22 THIS TITLE.~~

23 ~~(3) (2) IF A CLAIMANT EMPLOYED BY A REIMBURSING NOT FOR
24 PROFIT ORGANIZATION ON A CONTINUOUS PART-TIME BASIS CONTINUES TO BE
25 EMPLOYED BY THE NOT FOR PROFIT ORGANIZATION WHILE SEPARATED FROM
26 OTHER EMPLOYMENT AND IS ELIGIBLE FOR BENEFITS BECAUSE OF THAT
27 SEPARATION, THE NOT FOR PROFIT ORGANIZATION MAY NOT BE REQUIRED TO
28 REIMBURSE THE UNEMPLOYMENT INSURANCE FUND FOR THE BENEFITS PAID TO
29 THE CLAIMANT BECAUSE OF THAT SEPARATION.~~

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

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

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

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
36 applicable to all unemployment insurance claims with an effective date on or after
37 September 29, 1996, and to unemployment insurance claims that are reopened after
38 subsequent employment with an effective date on or after September 29, 1996.

39 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
40 October 1, 1996 ~~September 29, 1996.~~

