

SENATE BILL 27

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K2

1999 Regular Session  
(9lr0115)

*ENROLLED BILL*  
-- Finance/Economic Matters --

Introduced by **Chairman, Finance Committee (Departmental - Labor,  
Licensing and Regulation)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Unemployment Insurance - Self-Employment Assistance Program -**  
3 **Extension of Termination Date**

4 FOR the purpose of extending the termination date of the self-employment assistance  
5 program until a certain date; requiring the Unemployment Insurance Office in  
6 the Department of Labor, Licensing, and Regulation to report to certain  
7 committees by a certain time on a certain proposal to use certain funds for the  
8 self-employment assistance program under certain circumstances; providing for  
9 the effective date of this Act; and generally relating to the self-employment  
10 assistance program.

11 BY repealing and reenacting, without amendments,  
12 Article - Labor and Employment  
13 Section 8-1601 through 8-1608  
14 Annotated Code of Maryland  
15 (1991 Volume and 1998 Supplement)

1 BY repealing and reenacting, with amendments,  
2 Chapter 332 of the Acts of the General Assembly of 1995  
3 Section 3

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

6 **Article - Labor and Employment**

7 8-1601.

8 (a) In this subtitle the following terms have the meanings indicated.

9 (b) "Self-employment assistance activities" means activities approved by the  
10 Secretary in which an individual participates for the purpose of establishing a  
11 business and becoming self-employed. Self-employment assistance activities may  
12 include, but are not limited to, entrepreneurial training, business counseling, and  
13 technical assistance.

14 (c) "Self-employment assistance allowance" means an allowance payable, in  
15 lieu of regular unemployment insurance benefits, from the unemployment insurance  
16 trust fund to an individual who meets the requirements of this subtitle.

17 (d) "Self-employment assistance program" means a program under which an  
18 individual who meets the requirements described in § 8-1604 of this subtitle is  
19 eligible to receive an allowance in lieu of regular unemployment insurance benefits  
20 for the purpose of assisting that individual in establishing a business and becoming  
21 self-employed.

22 (e) "Regular benefits" means benefits payable to an individual under this title,  
23 including benefits payable to federal civilian employees and to ex-servicemembers as  
24 defined in 5 U.S.C. § 8521(a) who are eligible for unemployment insurance benefits  
25 for ex-servicemembers under 5 U.S.C. § 8521.

26 8-1602.

27 Unless the result would be inconsistent with this subtitle, the provisions of this  
28 title that apply to claims for or the payment of regular benefits shall apply to  
29 self-employment assistance allowances.

30 8-1603.

31 (a) The weekly amount of a self-employment assistance allowance payable to  
32 an individual under this subtitle is equal to the weekly benefit amount for regular  
33 benefits otherwise payable under this title.

34 (b) The maximum self-employment assistance allowance paid under this  
35 subtitle may not exceed the maximum amount of benefits established under § 8-808  
36 of this title.

1 8-1604.

2 (a) Self-employment assistance benefits will be payable pursuant to the  
3 eligibility requirements of this subtitle.

4 (b) An individual may be paid a self-employment assistance allowance if the  
5 individual:

6 (1) is determined eligible to be paid regular unemployment insurance  
7 benefits except for the requirements described in subsection (c) of this section;

8 (2) is identified by a worker profiling system, as outlined in the Code of  
9 Maryland Regulations, as an individual likely to exhaust regular unemployment  
10 insurance benefits;

11 (3) has filed an application for participation in a self-employment  
12 assistance program within 60 days of filing an initial claim for benefits and has  
13 provided the information the Secretary may prescribe;

14 (4) has, at the time the application is filed, a balance of regular benefits  
15 equal to at least 18 times the individual's weekly benefit amount in the individual's  
16 benefit year;

17 (5) has been accepted into a program approved by the Secretary that will  
18 provide self-employment assistance activities;

19 (6) is participating in self-employment assistance activities;

20 (7) is actively engaged on a full-time basis in activities, which may  
21 include training, relating to establishing a business and becoming self-employed; and

22 (8) has filed a weekly claim for the self-employment assistance  
23 allowance and provided the information the Secretary prescribes.

24 (c) A self-employment assistance allowance is payable on the same terms and  
25 subject to the same conditions as regular unemployment insurance benefits except  
26 that:

27 (1) the requirements of § 8-903 of this title relating to availability for  
28 work and actively seeking work are not applicable to the individual;

29 (2) the requirements of § 8-1005 of this title relating to refusal to accept  
30 referrals or offers of suitable work are not applicable to the individual;

31 (3) the provisions of § 8-803(d) of this title concerning subtracting any  
32 wages in excess of \$70 will not apply to the individual;

33 (4) an individual will be considered unemployed for the purposes of §  
34 8-801 of this title; and

1 (5) an individual who fails to participate in self-employment activities or  
 2 who fails to actively engage on a full-time basis in activities, which may include  
 3 training, related to establishing a business and becoming self-employed is denied for  
 4 the week in which the failure occurs.

5 8-1605.

6 The aggregate number of individuals receiving a self-employment assistance  
 7 allowance at any time shall not exceed 5 percent of the individuals receiving regular  
 8 unemployment insurance benefits at that time.

9 8-1606.

10 Self-employment assistance allowances shall be noncharged to the extent  
 11 authorized by federal law.

12 8-1607.

13 An application for review of the decision of an individual who is not accepted  
 14 into the self-employment assistance program may be filed with the Secretary within  
 15 15 days after the Secretary mailed or otherwise delivered the decision.

16 8-1608.

17 The Secretary may adopt regulations to implement a self-employment  
 18 assistance program, including, but not limited to, criteria for approval of programs  
 19 that provide self-employment assistance activities and eligibility criteria for  
 20 acceptance into and participation in these programs.

21

#### Chapter 332 of the Acts of 1995

22 SECTION 3. AND BE IT FURTHER ENACTED, That subject to Section 4 of  
 23 this Act, this Act shall remain effective until June 1, [1999] ~~2009~~ ~~2004~~ ~~2000~~, and with  
 24 no further action required by the General Assembly, this Act shall be abrogated and of  
 25 no further force and effect.

26 *SECTION 2. AND BE IT FURTHER ENACTED, That the Unemployment*  
 27 *Insurance Office in the Department of Labor, Licensing, and Regulation shall report to*  
 28 *the Senate Finance Committee and the House Economic Matters Committee on or*  
 29 *before December 1, 1999 on a proposal to use available alternative sources of funds for*  
 30 *the self-employment assistance program in the event that the federal government no*  
 31 *longer provides funding for this program.*

32 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take  
 33 effect June 1, 1999.

