

SENATE BILL 27

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1999 Regular Session
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(PRE-FILED)

By: **Chairman, Finance Committee (Departmental - Labor, Licensing and Regulation)**

Requested: July 27, 1998

Introduced and read first time: January 13, 1999

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 23, 1999

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
5 assistance program until a certain date; providing for the effective date of this
6 Act; and generally relating to the self-employment assistance program.

7 BY repealing and reenacting, without amendments,
8 Article - Labor and Employment
9 Section 8-1601 through 8-1608
10 Annotated Code of Maryland
11 (1991 Volume and 1998 Supplement)

12 BY repealing and reenacting, with amendments,
13 Chapter 332 of the Acts of the General Assembly of 1995
14 Section 3

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 8-1601.

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

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

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

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

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

18 8-1602.

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

22 8-1603.

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

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

29 8-1604.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (4) an individual will be considered unemployed for the purposes of §
27 8-801 of this title; and

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

32 8-1605.

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

1 8-1606.

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

4 8-1607.

5 An application for review of the decision of an individual who is not accepted
6 into the self-employment assistance program may be filed with the Secretary within
7 15 days after the Secretary mailed or otherwise delivered the decision.

8 8-1608.

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

13

Chapter 332 of the Acts of 1995

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

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 June 1, 1999.