

HOUSE BILL 97

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2000 Regular Session
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(PRE-FILED)

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

Requested: November 15, 1999

Introduced and read first time: January 12, 2000

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 22, 2000

CHAPTER _____

1 AN ACT concerning

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

4 FOR the purpose of ~~repealing the~~ altering certain termination date provisions for the
5 Self-Employment Assistance Program; repealing certain plan approval
6 requirements; providing for the termination of the Self-Employment Assistance
7 Program when the Department of Labor, Licensing, and Regulation makes a
8 certain determination; requiring the Department to notify the Department of
9 Legislative Services within a certain period after making a certain
10 determination; and generally relating to the Self-Employment Assistance
11 Program.

12 BY repealing and reenacting, without amendments,
13 Article - Labor and Employment
14 Section 8-1601 through 8-1608
15 Annotated Code of Maryland
16 (1999 Replacement Volume)

17 BY repealing and reenacting, with amendments,
18 Chapter 332 of the Acts of the General Assembly of 1995, as amended by
19 Chapter 309 of the Acts of the General Assembly of 1999
20 Section 3

21 BY repealing
22 Chapter 332 of the Acts of the General Assembly of 1995

1 Section 4

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

4 **Article - Labor and Employment**

5 8-1601.

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

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

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

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

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

24 8-1602.

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

28 8-1603.

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

32 (b) The maximum self-employment assistance allowance paid under this
33 subtitle may not exceed the maximum amount of benefits established under § 8-808
34 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, as amended by Chapter 309 of the Acts of**
 22 **1999**

23 ~~{SECTION 3. AND BE IT FURTHER ENACTED, That subject to Section 4 of~~
 24 ~~this Act, this Act shall remain effective until June 1, 2000, and~~ THE DEPARTMENT OF
 25 LABOR, LICENSING, AND REGULATION DETERMINES THAT FEDERAL FUNDING OR
 26 OTHER SOURCES OF FUNDING FOR SELF-EMPLOYMENT ASSISTANCE PROGRAMS ARE
 27 NO LONGER AVAILABLE, AND WHEN THE DEPARTMENT DETERMINES THAT FEDERAL
 28 FUNDING OR OTHER SOURCES OF FUNDING FOR SELF-EMPLOYMENT ASSISTANCE
 29 PROGRAMS ARE NO LONGER AVAILABLE, with no further action required by the
 30 General Assembly, this Act shall be abrogated and of no further force and effect. THE
 31 DEPARTMENT OF LABOR, LICENSING, AND REGULATION, WITHIN 15 DAYS AFTER
 32 DETERMINING THAT FEDERAL FUNDING OR OTHER SOURCES OF FUNDING FOR
 33 SELF-EMPLOYMENT ASSISTANCE PROGRAMS ARE NO LONGER AVAILABLE, SHALL
 34 NOTIFY THE DEPARTMENT OF LEGISLATIVE SERVICES, 90 STATE CIRCLE,
 35 ANNAPOLIS, MARYLAND, OF THAT DETERMINATION.}

36 **Chapter 332 of the Acts of 1995**

37 [SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall terminate
 38 as provided in Section 3 of this Act, as of the effective date of the withdrawal of

1 approval of any plan required by the United States Department of Labor, or as of the
2 week preceding the week containing the date when federal law no longer authorizes
3 self-employment assistance programs, whichever is earlier.]

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 June 1, 2000.