

SENATE BILL 77

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2000 Regular Session
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(PRE-FILED)

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

Requested: November 15, 1999
Introduced and read first time: January 12, 2000
Assigned to: Finance

Committee Report: Favorable
Senate action: Adopted
Read second time: February 15, 2000

CHAPTER _____

1 AN ACT concerning

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

4 FOR the purpose of repealing the termination date for the Self-Employment
5 Assistance Program; repealing certain plan approval requirements; and
6 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 (1999 Replacement Volume)

12 BY repealing
13 Chapter 332 of the Acts of the General Assembly of 1995, as amended by
14 Chapter 309 of the Acts of the General Assembly of 1999
15 Section 3

16 BY repealing
17 Chapter 332 of the Acts of the General Assembly of 1995
18 Section 4

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

1

Article - Labor and Employment

2 8-1601.

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

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

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

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

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

21 8-1602.

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

25 8-1603.

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

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

32 8-1604.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28 (4) an individual will be considered unemployed for the purposes of §
29 8-801 of this title; and

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

1 8-1605.

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

5 8-1606.

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

8 8-1607.

9 An application for review of the decision of an individual who is not accepted
10 into the self-employment assistance program may be filed with the Secretary within
11 15 days after the Secretary mailed or otherwise delivered the decision.

12 8-1608.

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

17 **Chapter 332 of the Acts of 1995, as amended by Chapter 309 of the Acts of**
18 **1999**

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

23 **Chapter 332 of the Acts of 1995**

24 [SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall terminate
25 as provided in Section 3 of this Act, as of the effective date of the withdrawal of
26 approval of any plan required by the United States Department of Labor, or as of the
27 week preceding the week containing the date when federal law no longer authorizes
28 self-employment assistance programs, whichever is earlier.]

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

