

# SENATE BILL 123

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CF HB 242

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By: **Senator Kelley**

Introduced and read first time: January 16, 2009

Assigned to: Finance

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 18, 2009

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Unemployment Insurance Benefits – Determination Based on Severance or**  
3 **Dismissal Payments**

4 FOR the purpose of altering the determination of unemployment insurance benefits  
5 for an individual who receives or is eligible to receive severance or dismissal  
6 payments when the individual's unemployment is the result of the abolishment  
7 of the job to be the same as the determination when the individual's  
8 unemployment is not the result of the abolishment of the job; providing for the  
9 application of this Act; and generally relating to the determination of  
10 unemployment insurance benefits based on severance or dismissal payments.

11 BY repealing and reenacting, with amendments,  
12 Article – Labor and Employment  
13 Section 8–1009  
14 Annotated Code of Maryland  
15 (2008 Replacement Volume)

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

18 **Article – Labor and Employment**

19 8–1009.

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) (1) [This subsection applies to unemployment that does not result  
2 from abolishment of the individual's job.

3 (2)] For each week that the Secretary finds an individual who  
4 otherwise is eligible for benefits receives or is eligible to receive dismissal payment or  
5 wages in lieu of notice, regardless of whether the payment is required by law:

6 (i) if the payment at least equals the individual's weekly benefit  
7 amount, the individual is disqualified from receiving benefits; or

8 (ii) if the payment is less than the individual's weekly benefit  
9 amount, the individual may receive benefits reduced by the amount of the payment.

10 [(3)] (2) Dismissal payment or wages in lieu of notice shall be  
11 allocated to a number of weeks following separation from employment that equals the  
12 number of weeks of wages received.

13 (b) [(1) This subsection applies to unemployment that results from the  
14 abolishment of an individual's job.

15 (2) An individual who is otherwise eligible for benefits may not receive  
16 benefits for each week that the Secretary finds that the individual receives or is  
17 eligible to receive dismissal payment consisting of the same wage amount and  
18 employee benefits package that the individual received while employed or wages in  
19 lieu of notice consisting of the same wage amount and employee benefits package that  
20 the individual received while employed, regardless of whether either the dismissal  
21 payment or wages in lieu of notice is required by law.

22 (3) An individual who is otherwise eligible for benefits may receive  
23 benefits, and the benefits may not be reduced under subsection (a)(2) of this section,  
24 for each week that the Secretary finds that the individual receives or is eligible to  
25 receive dismissal payment in an amount that is less than the amount of wages and  
26 employee benefits package that the individual received while employed or wages in  
27 lieu of notice in an amount that is less than the amount of wages and employee  
28 benefits package that the individual received while employed, regardless of whether  
29 either the dismissal payment or wages in lieu of notice is required by law.

30 (c)] An individual who is otherwise eligible for benefits, including benefits  
31 payable under the Unemployment Compensation for Ex-Service Members Program in  
32 accordance with 5 U.S.C. § 8521 may receive benefits, and the benefits may not be  
33 reduced under subsection (a)(2) of this section, for each week that the Secretary finds  
34 that the individual receives or is eligible to receive military disability severance  
35 payments.

36 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
37 June 1, 2009, and shall apply to all claims filed establishing a new benefit on or after  
38 June 7, 2009.

