

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE

House Bill 197

(Chair, Economic Matters Committee)(By Request -
Departmental - Labor, Licensing and Regulation)

Economic Matters

Finance

Unemployment Insurance Benefits Claims - Appeals - Finality of Order

This departmental bill establishes a 10-day period before an unemployment insurance (UI) appeals decision made by a hearing examiner in the Lower Appeals Division or by the Board of Appeals, both within the Department of Labor, Licensing, and Regulation (DLLR), becomes final.

Fiscal Summary

State Effect: Potential operational benefit to DLLR and the Judiciary. Revenues and expenditures are not materially affected.

Local Effect: None.

Small Business Effect: DLLR has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: A claimant for UI benefits who has been denied benefits may file an appeal of that denial to the Appeals Division of DLLR. Additionally, an employer may appeal a determination granting benefits to a former employee. If an appeal is filed, a hearing is held by a hearing examiner who then issues a written decision. The decision of the hearing examiner is final; however, either party may file an appeal to the Board of Appeals within 15 days after notice of the decision was mailed to the party at the last known address of the party or otherwise delivered to the party. A decision of the Board of Appeals is final unless any party aggrieved by the decision appeals the decision to a circuit court.

Background: A decision made by a hearing examiner or the Board of Appeals is final unless the decision is appealed to the next higher authority. For instances where an error is made in that decision, the hearing examiner or the Board of Appeals cannot reconsider the decision since it is a final decision. The only recourse for the aggrieved party is to appeal the decision to the next higher level of authority.

State Fiscal Effect: Establishing a 10-day period in which decisions of the Board of Appeals and hearing examiners in the Lower Appeals can be reconsidered before they become final provides an operational benefit to the Appeals Division of DLLR and may reduce the number of decisions appealed, first to the Board of Appeals in DLLR and then to the circuit court. Overall, expenditures are not materially affected.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2011
mc/rhh

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Unemployment Insurance Benefits Claims – Appeals – Finality of Order

BILL NUMBER: HB 197

PREPARED BY: Department of Labor, Licensing, and Regulation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.