

SENATE BILL 17

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7lr0102

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Requested: September 29, 2016

Introduced and read first time: January 11, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance – Eligibility for Benefits – Business Operation**
3 **Closings**

4 FOR the purpose of authorizing the Secretary of Labor, Licensing and Regulation to exempt
5 employees of an employer that closes its business operations or part of its business
6 operations for certain periods of time for certain purposes from the requirement to
7 actively seek work during that period to be eligible to receive unemployment
8 insurance benefits; providing that a certain exemption may be granted only with
9 respect to a specific business operation closing; and generally relating to eligibility
10 for unemployment insurance benefits during business operation closings.

11 BY repealing and reenacting, with amendments,
12 Article – Labor and Employment
13 Section 8–904
14 Annotated Code of Maryland
15 (2016 Replacement Volume)

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

18 **Article – Labor and Employment**

19 8–904.

20 (a) When an employer closes its entire plant, **BUSINESS OPERATION**, [or] part
21 of its plant, **OR PART OF ITS BUSINESS OPERATION** for inventory, vacation, or another
22 purpose that will cause unemployment for a definite period not exceeding 10 weeks, the
23 Secretary may exempt employees of the [plant] **EMPLOYER** from the requirement of §

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 8-903(a)(1)(iii) of this subtitle to actively seek work during that period if the Secretary finds
2 that circumstances and labor market conditions justify the exemption.

3 (b) Whenever an employer closes its entire plant, **BUSINESS OPERATION**, [or]
4 part of its plant, **OR PART OF ITS BUSINESS OPERATION** for a purpose other than
5 inventory or vacation that will cause unemployment for a definite period not exceeding 26
6 weeks, for the period of the specific shutdown, the Secretary may exempt employees of the
7 [plant] **EMPLOYER** from the requirement of § 8-903(a)(1)(iii) of this subtitle to actively
8 seek work if:

9 (1) the employer and affected employees jointly request the exemption;

10 (2) the employer provides that all affected employees shall return to work
11 for the employer within 26 weeks; and

12 (3) the Secretary determines that the exemption will promote productivity
13 and economic stability within the State.

14 (c) (1) This subsection does not exempt an individual from meeting the
15 requirements of § 8-902(a) or § 8-903(a)(1)(i) and (ii) of this subtitle to be able to work and
16 otherwise fully available for work.

17 (2) An exemption under this section may be granted only with respect to a
18 specific plant **OR BUSINESS OPERATION** closing.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2017.