

# HOUSE BILL 336

K2

EMERGENCY BILL  
**ENROLLED BILL**

(9lr2572)

— *Economic Matters/Finance* —

Introduced by **Delegates Feldmark, Acevero, Attar, Atterbearn, Bagnall, Bartlett, Barve, Bhandari, Boyce, Branch, Bridges, Brooks, Busch, Cain, Cardin, Carey, Chang, Charkoudian, Charles, Clippinger, Conaway, Crosby, Crutchfield, Cullison, D.M. Davis, D.E. Davis, Dumais, Ebersole, Fennell, W. Fisher, Fraser-Hidalgo, Gilchrist, Glenn, Guyton, Harrison, Healey, Hettleman, Hill, Jackson, Johnson, Jones, Kaiser, Kelly, Kerr, Korman, Krimm, Lafferty, Lehman, J. Lewis, R. Lewis, Lierman, Lopez, Love, Luedtke, McIntosh, Moon, Mosby, Palakovich Carr, Patterson, Pena-Melnyk, Pendergrass, Qi, Queen, Reznik, Rogers, Rosenberg, Sample-Hughes, Shetty, Smith, Solomon, Stein, Stewart, Sydnor, Terrasa, Turner, Valderrama, Walker, C. Watson, R. Watson, Wells, Wilkins, Wilson, and ~~K. Young~~ K. Young, Lisanti, and P. Young**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.  
\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Unemployment Insurance~~ – **Civilian Federal Employees – Unemployment**  
3 **Insurance Benefits and Federal Government Shutdown Employee Assistance**  
4 **Loan Fund**  
5 **(Federal Shutdown Paycheck Protection Act)**

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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.

*Italics indicate opposite chamber/conference committee amendments.*



1 FOR the purpose of specifying that, notwithstanding certain provisions of law, an  
 2 individual who is a civilian employee of the federal government is eligible to receive  
 3 unemployment benefits under certain circumstances; altering the purpose for which  
 4 the Catastrophic Event Account is established; authorizing the Governor, under  
 5 certain circumstances, to transfer funds by budget amendment from the  
 6 Catastrophic Event Account to the Federal Government Shutdown Employee  
 7 Assistance Loan Fund; authorizing funds appropriated to the Catastrophic Event  
 8 Account to be expended to assist a unit of State government in funding costs in  
 9 connection with a full or partial federal government shutdown due to a lapse in  
 10 appropriations; establishing the Federal Government Shutdown Employee  
 11 Assistance Loan Fund as a special, nonlapsing fund; specifying the purpose of the  
 12 Fund; requiring the Department of Labor, Licensing, and Regulation to administer  
 13 the Fund; requiring the State Treasurer to hold the Fund and the Comptroller to  
 14 account for the Fund; specifying the contents of the Fund; specifying the purpose for  
 15 which the Fund may be used; providing for the investment of money in and  
 16 expenditures from the Fund; requiring interest earnings of the Fund to be credited  
 17 to the Fund; requiring the Department of Labor, Licensing, and Regulation to  
 18 establish certain procedures and certain eligibility criteria for loans from the Fund;  
 19 exempting the Fund from a certain provision of law requiring the interest earnings  
 20 on State money to accrue to the General Fund of the State; defining a certain term;  
 21 requiring the Department of Labor, Licensing, and Regulation to request certain  
 22 documentation from the U.S. Department of Labor within a certain time period after  
 23 the taking effect of this Act and within a certain time period after a change in certain  
 24 federal laws or federal guidance; making ~~a~~ certain ~~provision~~ provisions of this Act  
 25 subject to ~~a~~ certain ~~contingency~~ contingencies; making this Act an emergency  
 26 measure; and generally relating to unemployment benefits and assistance for  
 27 civilian federal employees.

28 BY repealing and reenacting, with amendments,  
 29 Article – Labor and Employment  
 30 Section 8–903  
 31 Annotated Code of Maryland  
 32 (2016 Replacement Volume and 2018 Supplement)

33 BY repealing and reenacting, without amendments,  
 34 Article – State Finance and Procurement  
 35 Section 6–226(a)(2)(i)  
 36 Annotated Code of Maryland  
 37 (2015 Replacement Volume and 2018 Supplement)

38 BY repealing and reenacting, with amendments,  
 39 Article – State Finance and Procurement  
 40 Section 6–226(a)(2)(ii)112. and 113. and 7–324  
 41 Annotated Code of Maryland  
 42 (2015 Replacement Volume and 2018 Supplement)

1 BY adding to  
2 Article – State Finance and Procurement  
3 Section 6–226(a)(2)(ii)114. and 7–327  
4 Annotated Code of Maryland  
5 (2015 Replacement Volume and 2018 Supplement)

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

8 **Article – Labor and Employment**

9 8–903.

10 (a) (1) Except as otherwise provided in this section, to be eligible for benefits  
11 an individual shall be:

12 (i) able to work;

13 (ii) available for work; and

14 (iii) actively seeking work.

15 (2) In determining whether an individual actively is seeking work, the  
16 Secretary shall consider:

17 (i) whether the individual has made an effort that is reasonable and  
18 that would be expected of an unemployed individual who honestly is looking for work; and

19 (ii) the extent of the effort in relation to the labor market conditions  
20 in the area in which the individual is seeking work.

21 (3) A part–time worker may not be determined to be ineligible for the  
22 receipt of benefits for a week in which the part–time worker is available for and seeking  
23 only part–time work if the part–time worker:

24 (i) is actively seeking part–time work; and

25 (ii) is in a labor market in which a reasonable demand exists for  
26 part–time work.

27 (4) For the purposes of paragraph (3) of this subsection, an individual is  
28 seeking only part–time work if the individual is able to work:

29 (i) hours that are comparable to the individual’s work at the time of  
30 the most recent separation from part–time employment; and

31 (ii) at least 20 hours per week.

1 (b) The Secretary may not use the disability of a qualified individual with a  
 2 disability as a factor in finding that an individual is not able to work, available for work, or  
 3 actively seeking work under subsection (a)(1) or (3) of this section.

4 (c) Notwithstanding any other provision of this section or § 8–904 or § 8–907(a)  
 5 of this subtitle, an individual who otherwise is eligible to receive benefits and who is in  
 6 training with the approval of the Secretary may not be denied benefits:

7 (1) for failure to meet the requirements of subsection (a)(1)(ii) and (iii) of  
 8 this section to be available for work and actively seeking work; or

9 (2) for failure to apply for or refusal to accept suitable work under § 8–1005  
 10 of this title.

11 **(D) NOTWITHSTANDING ANY OTHER PROVISION OF THIS TITLE, AN**  
 12 **INDIVIDUAL WHO IS A CIVILIAN EMPLOYEE OF THE FEDERAL GOVERNMENT IS**  
 13 **ELIGIBLE TO RECEIVE UNEMPLOYMENT BENEFITS IF THE EMPLOYEE:**

14 **(1) IS REQUIRED TO REPORT TO WORK AT A WORK SITE LOCATED IN**  
 15 **THE STATE; AND**

16 **(2) IS NOT BEING PAID BECAUSE THE FEDERAL GOVERNMENT IS IN A**  
 17 **FULL OR PARTIAL SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
 19 as follows:

20 **Article – State Finance and Procurement**

21 6–226.

22 (a) (2) (i) Notwithstanding any other provision of law, and unless  
 23 inconsistent with a federal law, grant agreement, or other federal requirement or with the  
 24 terms of a gift or settlement agreement, net interest on all State money allocated by the  
 25 State Treasurer under this section to special funds or accounts, and otherwise entitled to  
 26 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General  
 27 Fund of the State.

28 (ii) The provisions of subparagraph (i) of this paragraph do not apply  
 29 to the following funds:

30 112. the Pretrial Services Program Grant Fund; [and]

31 113. the Veteran Employment and Transition Success Fund;

32 AND

1 114. THE FEDERAL GOVERNMENT SHUTDOWN EMPLOYEE  
2 ASSISTANCE LOAN FUND.

3 7-324.

4 (a) In this section, "Account" means the Catastrophic Event Account.

5 (b) Subject to the provisions of this section, the Account is established to enable  
6 the State to respond without undue delay to a natural disaster or other catastrophic  
7 situation, OR FEDERAL CIVILIAN EMPLOYEE FINANCIAL HARDSHIP FROM A FULL OR  
8 PARTIAL FEDERAL GOVERNMENT SHUTDOWN DUE TO A LAPSE IN FEDERAL  
9 APPROPRIATIONS that cannot be taken care of within the resources of existing  
10 appropriations.

11 (c) The Governor may provide an appropriation in the budget bill to the Account.

12 (d) (1) [After] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AFTER  
13 a 15-day review and comment period by the Legislative Policy Committee, the Governor  
14 may transfer funds by budget amendment from the Account to the expenditure accounts of  
15 the appropriate unit of State government.

16 (2) IF THE FEDERAL GOVERNMENT IS IN A FULL OR PARTIAL  
17 SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS, AFTER A 2-DAY REVIEW AND  
18 COMMENT PERIOD BY THE LEGISLATIVE POLICY COMMITTEE, THE GOVERNOR MAY  
19 TRANSFER FUNDS BY BUDGET AMENDMENT FROM THE ACCOUNT TO THE FEDERAL  
20 GOVERNMENT SHUTDOWN EMPLOYEE ASSISTANCE LOAN FUND ESTABLISHED  
21 UNDER § 7-327 OF THIS SUBTITLE.

22 (e) Funds appropriated to the Catastrophic Event Account:

23 (1) may not be used to offset operating deficiencies in regular programs of  
24 State government; but

25 (2) may be expended to assist a unit of State government in funding costs  
26 in connection with a natural disaster, [or] A catastrophic situation, OR A FULL OR  
27 PARTIAL FEDERAL GOVERNMENT SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS.

28 (f) (1) The Account is a continuing, nonlapsing fund which is not subject to §  
29 7-302 of this subtitle.

30 (2) The Treasurer shall separately hold, and the Comptroller shall account  
31 for, the Account.

32 (3) The Account shall be invested and reinvested in the same manner as  
33 other State funds.

1           (4) Any investment earning shall be subject to § 7-311(d) of this subtitle.

2           (g) Money appropriated to the Account does not revert to the Revenue  
3 Stabilization Account.

4 7-327.

5           (A) IN THIS SECTION, "FUND" MEANS THE FEDERAL GOVERNMENT  
6 SHUTDOWN EMPLOYEE ASSISTANCE LOAN FUND.

7           (B) THERE IS A FEDERAL GOVERNMENT SHUTDOWN EMPLOYEE  
8 ASSISTANCE LOAN FUND.

9           (C) THE PURPOSE OF THE FUND IS TO PROVIDE LOANS TO CIVILIAN  
10 EMPLOYEES OF THE FEDERAL GOVERNMENT WHO ARE:

11           (1) REQUIRED TO REPORT TO WORK AT A WORK SITE LOCATED IN THE  
12 STATE; AND

13           (2) NOT BEING PAID BECAUSE OF A FULL OR PARTIAL FEDERAL  
14 GOVERNMENT SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS.

15           (D) THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL  
16 ADMINISTER THE FUND.

17           (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
18 SUBJECT TO § 7-302 OF THIS SUBTITLE THAT SHALL BE AVAILABLE IN PERPETUITY  
19 FOR THE PURPOSE OF PROVIDING LOANS IN ACCORDANCE WITH THE PROVISIONS  
20 OF THIS SECTION.

21           (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
22 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

23           (F) THE FUND CONSISTS OF:

24           (1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

25           (2) ANY INTEREST EARNINGS OF THE FUND;

26           (3) MONEY TRANSFERRED FROM THE CATASTROPHIC EVENT  
27 ACCOUNT IN ACCORDANCE WITH § 7-324 OF THIS SUBTITLE;

28           (4) REPAYMENTS ON LOANS MADE FROM THE FUND; AND

1           **(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**  
2 **THE BENEFIT OF THE FUND.**

3           **(G) THE FUND SHALL BE USED ONLY TO PROVIDE NO-INTEREST LOANS TO**  
4 **CIVILIAN EMPLOYEES OF THE FEDERAL GOVERNMENT WHO ARE:**

5           **(1) REQUIRED TO REPORT TO WORK AT A WORK SITE LOCATED IN THE**  
6 **STATE; AND**

7           **(2) NOT BEING PAID BECAUSE OF A FULL OR PARTIAL FEDERAL**  
8 **GOVERNMENT SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS.**

9           **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**  
10 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

11           **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**  
12 **THE FUND.**

13           **(I) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**  
14 **DEPARTMENT OF LABOR, LICENSING, AND REGULATION SHALL ESTABLISH**  
15 **PROCEDURES AND ELIGIBILITY CRITERIA FOR LOANS FROM THE FUND.**

16           **(2) THE ELIGIBILITY CRITERIA SHALL INCLUDE THAT:**

17           **(I) THE FEDERAL GOVERNMENT IS IN A FULL OR PARTIAL**  
18 **SHUTDOWN DUE TO A LAPSE IN APPROPRIATIONS; AND**

19           **(II) AN INDIVIDUAL APPLYING FOR A LOAN FROM THE FUND IS:**

20                   **1. A CIVILIAN EMPLOYEE OF THE FEDERAL**  
21 **GOVERNMENT;**

22                   **2. REQUIRED TO REPORT TO WORK AT A WORK SITE**  
23 **LOCATED IN THE STATE; AND**

24                   **3. NOT BEING PAID BECAUSE OF THE FULL OR PARTIAL**  
25 **FEDERAL GOVERNMENT SHUTDOWN DUE TO THE LAPSE IN APPROPRIATIONS.**

26           **(3) THE PROCEDURES SHALL INCLUDE:**

27           **(I) APPLICATION PROCEDURES;**

28           **(II) PAYMENT PROCEDURES FROM THE FUND; AND**

1 (III) REPAYMENT PROCEDURES, INCLUDING TIMELINES, FOR AN  
2 INDIVIDUAL TO REPAY A LOAN FROM THE FUND.

3 ~~SECTION 2. AND BE IT FURTHER ENACTED, That, within 24 hours after the~~  
4 ~~taking effect of this Act, the Department of Labor, Licensing, and Regulation shall request~~  
5 ~~a determination letter from the U.S. Department of Labor confirming continued conformity~~  
6 ~~of the Maryland Unemployment Insurance Law, as amended by Section 1 of this Act, with~~  
7 ~~federal unemployment compensation program requirements.~~

8 ~~SECTION 3. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take~~  
9 ~~effect contingent on the receipt by the Department of Labor, Licensing, and Regulation of~~  
10 ~~a favorable determination letter from the U.S. Department of Labor confirming that the~~  
11 ~~Maryland Unemployment Insurance Law, as amended by Section 1 of this Act, conforms~~  
12 ~~with federal unemployment compensation program requirements. Section 1 of this Act shall~~  
13 ~~take effect on the date notice of the letter is received by the Department of Legislative~~  
14 ~~Services in accordance with this section. If the Department of Labor, Licensing, and~~  
15 ~~Regulation does not receive a favorable determination letter or the U.S. Department of~~  
16 ~~Labor determines that implementation of the Maryland Unemployment Insurance Law, as~~  
17 ~~amended by Section 1 of this Act, would result in a loss of federal funding, Section 1 of this~~  
18 ~~Act, with no further action required by the General Assembly, shall be null and void. The~~  
19 ~~Department of Labor, Licensing, and Regulation, within 24 hours after receiving the~~  
20 ~~determination letter from the U.S. Department of Labor, shall forward a copy of the letter~~  
21 ~~to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.~~

22 SECTION 3. AND BE IT FURTHER ENACTED, That:

23 (a) (1) Within 24 hours after the enactment of Section 1 of this Act, the  
24 Department of Labor, Licensing, and Regulation shall request a determination letter from  
25 the U.S. Department of Labor confirming whether the implementation of Section 1 of this  
26 Act, with federal reimbursement for the administration and payment of claims, conforms  
27 with federal unemployment compensation program requirements and will not result in a  
28 loss of certification by the United States Secretary of Labor.

29 (2) Within 24 hours after receiving the determination letter requested  
30 under paragraph (1) of this subsection from the U.S. Department of Labor, the Department  
31 of Labor, Licensing, and Regulation shall forward a copy of the letter to the Department of  
32 Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

33 (b) (1) If there is a change to § 303 of the federal Social Security Act, other  
34 applicable federal law, or federal guidance to states on or before January 1, 2024, within  
35 24 hours after the Department of Labor, Licensing, and Regulation receives notice of the  
36 change, the Department shall request a determination letter from the U.S. Department of  
37 Labor confirming whether the implementation of Section 1 of this Act, with federal  
38 reimbursement for the administration and payment of claims, conforms with federal  
39 unemployment compensation program requirements and will not result in a loss of  
40 certification by the United States Secretary of Labor.



1           (2) Within 24 hours after receiving the determination letter requested  
2 under paragraph (1) of this subsection from the U.S. Department of Labor, the Department  
3 of Labor, Licensing, and Regulation shall forward a copy of the letter to the Department of  
4 Legislative Services, 90 State Circle, Annapolis, Maryland 21401.

5           SECTION 4. AND BE IT FURTHER ENACTED, That:

6           (a) (1) Section 1 of this Act shall take effect contingent on the receipt by the  
7 Department of Labor, Licensing, and Regulation of a favorable determination letter  
8 requested under Section 3 of this Act from the U.S. Department of Labor.

9           (2) Section 1 of this Act shall take effect on the date notice of the letter  
10 described under paragraph (1) of this subsection is received by the Department of  
11 Legislative Services in accordance with Section 3 of this Act.

12           (3) If the Department of Labor, Licensing, and Regulation does not receive  
13 a favorable determination letter described under paragraph (1) of this subsection, Section  
14 1 of this Act, with no further action required by the General Assembly, shall be null and  
15 void.

16           (b) (1) Section 2 of this Act shall take effect contingent on receipt by the  
17 Department of Labor, Licensing, and Regulation of an unfavorable determination letter  
18 requested under Section 3(a) of this Act from the U.S. Department of Labor.

19           (2) Section 2 of this Act shall take effect on the date notice of the letter  
20 described under paragraph (1) of this subsection is received by the Department of  
21 Legislative Services in accordance with Section 3 of this Act.

22           (3) If Section 1 of this Act takes effect following the receipt by the  
23 Department of Labor, Licensing, and Regulation of a favorable determination letter  
24 requested under Section 3(a) of this Act, Section 2 of this Act, with no further action  
25 required by the General Assembly, shall be null and void.

26           SECTION ~~4~~ 5. AND BE IT FURTHER ENACTED, That, subject to Section ~~3~~ 4 of  
27 this Act, this Act is an emergency measure, is necessary for the immediate preservation of  
28 the public health or safety, has been passed by a yea and nay vote supported by three-fifths  
29 of all the members elected to each of the two Houses of the General Assembly, and shall  
30 take effect from the date it is enacted.