

HOUSE BILL 1138

K2

EMERGENCY BILL
ENROLLED BILL

(11r2104)

— *Economic Matters/Finance* —

Introduced by **Delegate Carey**

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 – Maryland Department of Labor – Accountability**
3 **and Oversight**

4 FOR the purpose of requiring the Maryland Department of Labor to ~~submit a report post~~
5 on its website certain reports on the administration and operation of the State's
6 unemployment insurance laws ~~to certain persons on or before a certain day each~~
7 ~~month~~; at certain regular intervals; requiring the Department to retain certain
8 weekly reports on its website for at least a certain number of weeks; establishing
9 when a disaster exists for the purposes of certain provisions of this Act; requiring the
10 Department to monitor the Unemployment Insurance Fund for a disaster; requiring
11 the Department, when a certain determination is made, ~~to initiate a certain plan and~~
12 to comply with certain reporting requirements; requiring that the disaster ~~plan~~
13 reporting requirements remain in effect until the Department is able to process at
14 least a certain percentage of certain payments within a certain time period in
15 accordance with certain guidelines for a certain period of time; requiring the

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 Assistant Secretary for the Division of Unemployment Insurance to announce
 2 certain information when ~~a~~ the disaster ~~plan is reporting requirements are~~ no longer
 3 ~~exists in effect~~; requiring the Department to submit a certain disaster report to
 4 certain persons within a certain time period and with certain frequency thereafter;
 5 exempting the Department from certain requirements for hiring staff and requiring
 6 the Department to hire certain staff during a disaster; requiring the Assistant
 7 Secretary to oversee compliance with certain requirements during a disaster;
 8 ~~defining a certain term~~; making this Act an emergency measure; and generally
 9 relating to unemployment insurance.

10 BY repealing and reenacting, without amendments,
 11 Article – Labor and Employment
 12 Section 8–101(a), (e), (j), (m), (m–1), and (x) and 8–311
 13 Annotated Code of Maryland
 14 (2016 Replacement Volume and 2020 Supplement)

15 BY adding to
 16 Article – Labor and Employment
 17 Section ~~8–101(m–2)~~, 8–311.1, and 8–311.2
 18 Annotated Code of Maryland
 19 (2016 Replacement Volume and 2020 Supplement)

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

22 Article – Labor and Employment

23 8–101.

24 (a) In this title the following words have the meanings indicated.

25 (e) “Benefits” means the money that is payable under this title to an individual
 26 who is unemployed.

27 (j) “Claimant” means an individual who submits a claim for benefits.

28 (m) “Department” means the Maryland Department of Labor.

29 (m–1) “Determination” means a decision made by or on behalf of the Secretary under
 30 this title.

31 ~~(M–2) “DISASTER” MEANS AN INCIDENT OR OCCURRENCE FOR WHICH AN “ON”~~
 32 ~~INDICATOR UNDER § 8 1103 OF THIS TITLE TRIGGERS AN EXTENDED BENEFITS~~
 33 ~~PERIOD.~~

34 (x) “Secretary” means the Secretary of Labor.

1 8-311.

2 (a) On or before January 1 of each year, the Secretary shall submit to the
3 Governor an annual report on the administration and operation of this title during the
4 previous fiscal year.

5 (b) The annual report shall include:

6 (1) a balance sheet for the Unemployment Insurance Fund;

7 (2) a table that shows the amount of any benefit that was ineffectively
8 charged or not charged to the experience rating record of an employer;

9 (3) the reason for not charging the amount of any benefit to the experience
10 rating record of an employer;

11 (4) by category of disqualification, the amount of any benefit that was paid
12 after a disqualification under Subtitle 10 of this title; and

13 (5) any recommendation for an amendment to this title that the Secretary
14 considers proper.

15 **8-311.1.**

16 **(A) ON OR BEFORE THE FIRST DAY OF EACH MONTH, THE SECRETARY**
17 **~~SHALL SUBMIT TO THE PRESIDING OFFICERS, THE SENATE FINANCE COMMITTEE,~~**
18 **~~AND THE HOUSE ECONOMIC MATTERS COMMITTEE, IN ACCORDANCE WITH §~~**
19 **~~2-1257 OF THE STATE GOVERNMENT ARTICLE, DEPARTMENT SHALL POST ON ITS~~**
20 **WEBSITE A REPORT ON THE ADMINISTRATION AND OPERATION OF THIS TITLE**
21 **DURING THE IMMEDIATELY PRECEDING MONTH.**

22 **(B) THE REPORT SHALL INCLUDE:**

23 **(1) A BALANCE SHEET FOR THE UNEMPLOYMENT INSURANCE FUND;**

24 **(2) THE NUMBER OF CLAIMS FOR BENEFITS FILED UNDER § 8-805(A)**
25 **OF THIS TITLE IN THE IMMEDIATELY PRECEDING MONTH;**

26 **(3) THE NUMBER OF CLAIMS PENDING ADJUDICATION AND THE**
27 **NUMBER OF CLAIMS PENDING ADJUDICATION THAT WERE RESOLVED SINCE THE**
28 **IMMEDIATELY PRECEDING MONTH;**

29 **(4) THE NUMBER OF FINAL DETERMINATIONS THAT WERE MADE**
30 **UNDER § 8-806 OF THIS TITLE IN THE IMMEDIATELY PRECEDING MONTH; AND**

1 (5) THE NUMBER OF CLAIMS PROCESSED BY THE DEPARTMENT
2 DURING THE IMMEDIATELY PRECEDING MONTH.

3 (C) (1) ONCE PER WEEK, THE DEPARTMENT SHALL POST ON ITS WEBSITE
4 A WEEKLY REPORT THAT INCLUDES THE NUMBER OF:

5 (I) OPEN CLAIMS;

6 (II) CLAIMS PENDING ADJUDICATION;

7 (III) CLAIMS FOR WHICH THE FIRST PAYMENT HAS NOT BEEN
8 MADE WITHIN 21 DAYS AFTER THE WEEK ENDING DATE OF THE FIRST COMPENSABLE
9 WEEK IN THE BENEFIT YEAR;

10 (IV) CLAIMS CLOSED;

11 (V) CLAIMS RESOLVED BY ADJUDICATION; AND

12 (VI) CLAIMS FOR WHICH THE CLAIMANT ENCOUNTERED
13 TECHNOLOGICAL PROBLEMS WITH THE ONLINE PORTAL.

14 (2) THE DEPARTMENT SHALL RETAIN ON ITS WEBSITE THE WEEKLY
15 REPORTS FOR AT LEAST THE IMMEDIATELY PRECEDING 8 WEEKS.

16 8-311.2.

17 (A) FOR THE PURPOSES OF THIS SECTION, A DISASTER EXISTS ~~IF, FOR THE~~
18 ~~WEEK IN WHICH THE DETERMINATION IS BEING MADE AND THE 4 IMMEDIATELY~~
19 ~~PRECEDING WEEKS, THE RATE OF INSURED UNEMPLOYMENT, NOT SEASONALLY~~
20 ~~ADJUSTED, IS AT LEAST 6% IF THE DEPARTMENT, FOR 4 CONSECUTIVE WEEKS, FAILS~~
21 ~~TO PAY AT LEAST 82% OF FIRST PAYMENTS WITHIN 21 DAYS AFTER THE WEEK~~
22 ~~ENDING DATE OF THE FIRST COMPENSABLE WEEK IN THE BENEFIT YEAR.~~

23 (B) (1) THE DEPARTMENT SHALL MONITOR THE UNEMPLOYMENT
24 INSURANCE FUND FOR A DISASTER.

25 (2) WHEN THE ASSISTANT SECRETARY OF THE DIVISION OF
26 UNEMPLOYMENT INSURANCE DETERMINES THAT THERE IS A DISASTER, THE
27 DEPARTMENT SHALL:

28 (I) ~~INITIATE A DISASTER PLAN; AND~~

1 ~~(H)~~ COMPLY WITH THE REPORTING REQUIREMENTS
2 ESTABLISHED UNDER SUBSECTION ~~(B)~~ (C) OF THIS SECTION.

3 (3) (I) THE DISASTER ~~PLAN~~ REPORTING REQUIREMENTS SHALL
4 REMAIN IN EFFECT UNTIL THE DEPARTMENT, FOR 4 CONSECUTIVE WEEKS, IS
5 PAYING AT LEAST 87% OF FIRST PAYMENTS WITHIN 21 DAYS AFTER THE WEEK
6 ENDING DATE OF THE FIRST COMPENSABLE WEEK IN THE BENEFIT YEAR, IN
7 ACCORDANCE WITH GUIDELINES PUBLISHED BY THE U.S. DEPARTMENT OF LABOR.

8 (II) WHEN ~~A~~ THE DISASTER ~~PLAN~~ IS REPORTING
9 REQUIREMENTS ARE NO LONGER EXISTS BECAUSE AN "OFF" INDICATOR HAS BEEN
10 TRIGGERED UNDER § 8-1103 OF THIS TITLE IN EFFECT UNDER SUBPARAGRAPH (I)
11 OF THIS PARAGRAPH, THE ASSISTANT SECRETARY OF THE DIVISION OF
12 UNEMPLOYMENT INSURANCE SHALL ANNOUNCE THAT THE DEPARTMENT IS NO
13 LONGER REQUIRED TO ISSUE THE DISASTER REPORT UNDER SUBSECTION ~~(B)~~ (C) OF
14 THIS SECTION.

15 ~~(B)~~ (C) (1) THE DEPARTMENT SHALL SUBMIT A DISASTER REPORT TO
16 THE PRESIDING OFFICERS, THE SENATE FINANCE COMMITTEE, AND THE HOUSE
17 ECONOMIC MATTERS COMMITTEE, IN ACCORDANCE WITH § 2-1257 OF THE STATE
18 GOVERNMENT ARTICLE:

19 (I) WITHIN 7 DAYS AFTER THE DISASTER DETERMINATION; AND

20 (II) EVERY 30 DAYS THEREAFTER WHILE THE DISASTER IS
21 ONGOING.

22 (2) THE REPORT SHALL INCLUDE:

23 (I) THE UNEMPLOYMENT INSURANCE FUND BALANCE
24 IMMEDIATELY PRECEDING THE DISASTER DETERMINATION;

25 (II) THE CURRENT BALANCE OF THE UNEMPLOYMENT
26 INSURANCE FUND;

27 (III) THE DEPARTMENT'S ANTICIPATED OFFICE STAFFING
28 NEEDS OVER THE NEXT 30, 60, AND 90 DAYS;

29 (3) THE DEPARTMENT'S PLAN FOR ~~NAVIGATING THE DISASTER~~
30 MEETING STAFFING NEEDS; AND

31 (4) AN UPDATE ON FEDERAL FUNDING AND SUPPORT FOR THE
32 UNEMPLOYMENT INSURANCE FUND.

1 ~~(C)~~ **(D)** DURING A DISASTER, THE DEPARTMENT SHALL:

2 **(1)** BE EXEMPT FROM REQUIREMENTS UNDER THE STATE FINANCE
3 AND PROCUREMENT ARTICLE FOR STAFFING; AND

4 **(2)** HIRE ~~100~~ ADDITIONAL FULL-TIME OR PART-TIME STAFF WHO ARE
5 STATE EMPLOYEES ~~OR~~, CONTRACTUAL EMPLOYEES, OR INDIVIDUALS UNDER
6 CONTRACT WITH A THIRD-PARTY VENDOR AS NEEDED TO MEET STAFFING NEEDS
7 AND TO RESPOND TO ISSUES RAISED BY CLAIMANTS AND EMPLOYERS.

8 ~~(D)~~ **(E)** DURING A DISASTER, THE ASSISTANT SECRETARY FOR THE
9 DIVISION OF UNEMPLOYMENT INSURANCE SHALL OVERSEE COMPLIANCE WITH THE
10 REQUIREMENTS OF THIS SECTION.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
12 measure, is necessary for the immediate preservation of the public health or safety, has
13 been passed by a ye and nay vote supported by three-fifths of all the members elected to
14 each of the two Houses of the General Assembly, and shall take effect from the date it is
15 enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.