

# SENATE BILL 814

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EMERGENCY BILL

11r0365  
CF HB 906

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By: **Senator Klausmeier (Chair, Joint Committee on Unemployment Insurance Oversight)**

Introduced and read first time: February 9, 2021

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance – Earned Rating Record – Waiver of Benefit Charges**  
3 **Due to COVID–19**

4 FOR the purpose of requiring, except under certain circumstances, the Secretary of Labor  
5 to waive the charges of unemployment insurance benefits against the earned rating  
6 record of an employing unit for claims filed during a certain period of time that the  
7 Secretary determines to be related to COVID–19; authorizing the Secretary to charge  
8 certain unemployment insurance benefits against the earned rating record of an  
9 employing unit due to certain conduct related to separation notices; making this Act  
10 an emergency measure; providing for the termination of this Act; and generally  
11 relating to the earned rating records of employing units under the unemployment  
12 insurance law.

13 BY repealing and reenacting, without amendments,  
14 Article – Labor and Employment  
15 Section 8–611(a)  
16 Annotated Code of Maryland  
17 (2016 Replacement Volume and 2020 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article – Labor and Employment  
20 Section 8–611(k)  
21 Annotated Code of Maryland  
22 (2016 Replacement Volume and 2020 Supplement)

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

25 **Article – Labor and Employment**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 8-611.

2 (a) For each employing unit, the Secretary shall keep an earned rating record that  
3 shows all benefits that are based on covered employment that was performed for the  
4 employing unit.

5 (k) (1) **[The] SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE**  
6 Secretary may waive the charge of benefits paid to a claimant against the earned rating  
7 record of an employing unit if:

8 (i) the benefits are paid to the claimant during a period in which the  
9 claimant is temporarily unemployed because the employing unit shut down due to a natural  
10 disaster; and

11 (ii) the Governor declared a state of emergency due to the natural  
12 disaster.

13 (2) If the Secretary waives the charge of benefits under paragraph (1) of  
14 this subsection, the waiver may be in effect only until the earlier of:

15 (i) 4 months after the natural disaster; or

16 (ii) the date the employing unit reopens.

17 **(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**  
18 **PARAGRAPH, THE SECRETARY SHALL WAIVE THE CHARGE OF BENEFITS PAID TO A**  
19 **CLAIMANT AGAINST THE EARNED RATING RECORD OF AN EMPLOYING UNIT FOR ANY**  
20 **CLAIM FOR BENEFITS IF:**

21 **1. THE CLAIM WAS FILED FROM JULY 1, 2019, THROUGH**  
22 **JUNE 30, 2021, BOTH INCLUSIVE; AND**

23 **2. THE CLAIM IS DETERMINED BY THE SECRETARY TO BE**  
24 **RELATED TO COVID-19.**

25 **(II) THE SECRETARY MAY CHARGE BENEFITS PAID TO A**  
26 **CLAIMANT AGAINST THE EARNED RATING RECORD OF AN EMPLOYING UNIT IF:**

27 **1. THE SECRETARY DETERMINES THE FAILURE TO**  
28 **TIMELY OR ADEQUATELY RESPOND TO A SEPARATION NOTICE HAS RESULTED IN AN**  
29 **OVERPAYMENT OF BENEFITS; AND**

30 **2. THE EMPLOYER OR EMPLOYER'S AGENT HAS**  
31 **ESTABLISHED A PATTERN OF FAILING TO TIMELY OR ADEQUATELY RESPOND TO**  
32 **SEPARATION NOTICES.**

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
2 measure, is necessary for the immediate preservation of the public health or safety, has  
3 been passed by a yea and nay vote supported by three-fifths of all the members elected to  
4 each of the two Houses of the General Assembly, and shall take effect from the date it is  
5 enacted. It shall remain effective through June 30, 2025, and, at the end of June 30, 2025,  
6 this Act, with no further action required by the General Assembly, shall be abrogated and  
7 of no further force and effect.