

SENATE BILL 655

K2

2lr2579
CF HB 253

By: **Senator Klausmeier**

Introduced and read first time: February 4, 2022

Assigned to: Finance

Committee Report: Favorable

Senate action: Adopted

Read second time: March 7, 2022

CHAPTER _____

1 AN ACT concerning

2 **Unemployment Insurance – Federal Extended Benefits for Long-Term**
3 **Unemployment**

4 FOR the purpose of altering the period that constitutes an extended benefit period and
5 when a State “on” indicator exists; specifying the total amount of certain extended
6 unemployment benefits that are payable to an eligible individual; authorizing the
7 Secretary of Labor, if authorized by federal law, to suspend the payment of certain
8 extended unemployment benefits; establishing that federal unemployment law
9 provisions and definitions related to extended benefits apply to a certain extent; and
10 generally relating to unemployment insurance benefits.

11 BY repealing and reenacting, with amendments,
12 Article – Labor and Employment
13 Section 8–1103 and 8–1105
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2021 Supplement)

16 BY adding to
17 Article – Labor and Employment
18 Section 8–1109 and 8–1110
19 Annotated Code of Maryland
20 (2016 Replacement Volume and 2021 Supplement)

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

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.



Article – Labor and Employment

8–1103.

(a) **(1)** An extended benefit period is a period that:

[(1)] (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, begins with the 3rd week after the 1st week for which there is a State “on” indicator but not earlier than the 14th week after the end of another extended benefit period; and

[(2)] (II) ends with the later of:

[(i)] 1. the 3rd week after the 1st week for which there is a State “off” indicator; or

[(ii)] 2. the 13th consecutive week of the period.

(2) THE REQUIREMENT DESCRIBED UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION DOES NOT APPLY FOR WEEKS OF UNEMPLOYMENT BEGINNING AFTER JUNE 1, 2022, FOR WHICH:

(I) 100% FEDERAL SHARING IS AVAILABLE; AND

(II) WAIVER OF THE REQUIREMENT IS AUTHORIZED UNDER FEDERAL LAW.

(b) (1) A State “on” indicator for a week exists whenever, for that week and the 12 immediately preceding weeks, the rate of insured unemployment, not seasonally adjusted, is at least:

(i) 5%; and

(ii) 120% of the average of the rates for the corresponding 13–week period ending in each of the 2 preceding calendar years.

(2) After a State “on” indicator occurs under this subsection, a State “off” indicator for a week exists whenever, for that week and the 12 immediately preceding weeks, the rate of insured unemployment, not seasonally adjusted, is less than:

(i) 5%; or

(ii) 120% of the average of the rates for the corresponding 13–week period ending in each of the 2 preceding calendar years.

1 (c) (1) A State “on” indicator exists for a week whenever, for that week and the
2 12 immediately preceding weeks, the rate of insured unemployment, not seasonally
3 adjusted, is at least 6%.

4 (2) After a State “on” indicator occurs under this subsection, a State “off”
5 indicator exists for a week whenever, for that week and the 12 immediately preceding
6 weeks, the rate of insured unemployment, not seasonally adjusted, was less than 6%.

7 (d) A State “on” indicator under subsection (b) or (c) of this section takes
8 precedence over a State “off” indicator under subsection (c) or (b) of this section,
9 respectively.

10 (e) (1) To compute the rate of insured unemployment under subsections (b)
11 and (c) of this section, the Secretary shall:

12 (i) determine the average weekly number of individuals submitting
13 claims for regular benefits in the State for weeks of unemployment during the most recent
14 13 consecutive weeks based on reports of the Secretary to the United States Secretary of
15 Labor; and

16 (ii) divide that number by the average monthly number of employees
17 engaged in covered employment for the 1st 4 of the 6 completed calendar quarters ending
18 immediately before the 13 weeks.

19 (2) The Secretary shall make each computation under this subsection in
20 accordance with regulations of the United States Secretary of Labor.

21 **(F) (1) THIS SUBSECTION APPLIES ONLY TO ANY WEEKS OF**
22 **UNEMPLOYMENT:**

23 **(I) BEGINNING AFTER JUNE 1, 2022, FOR WHICH 100%**
24 **FEDERAL SHARING IS AVAILABLE; AND**

25 **(II) ENDING 4 WEEKS BEFORE THE LAST WEEK FOR WHICH 100%**
26 **FEDERAL SHARING IS AVAILABLE.**

27 **(2) A STATE “ON” INDICATOR FOR A WEEK EXISTS IF:**

28 **(I) THE AVERAGE RATE OF TOTAL UNEMPLOYMENT,**
29 **SEASONALLY ADJUSTED, AS DETERMINED BY THE UNITED STATES SECRETARY OF**
30 **LABOR, FOR THE PERIOD CONSISTING OF THE MOST RECENT 3 MONTHS FOR WHICH**
31 **DATA FOR ALL STATES ARE PUBLISHED BEFORE THE CLOSE OF THE WEEK IS AT**
32 **LEAST 6.5%; AND**

1 **(II) THE AVERAGE RATE OF TOTAL UNEMPLOYMENT IN THE**
2 **STATE, SEASONALLY ADJUSTED, AS DETERMINED BY THE UNITED STATES**
3 **SECRETARY OF LABOR, FOR THE 3-MONTH PERIOD DESCRIBED IN ITEM (I) OF THIS**
4 **PARAGRAPH IS AT LEAST 110% OF THAT AVERAGE FOR EITHER OR BOTH OF THE**
5 **CORRESPONDING 3-MONTH PERIODS ENDING IN THE 2 PRECEDING CALENDAR**
6 **YEARS.**

7 **(3) AFTER A STATE “ON” INDICATOR OCCURS UNDER PARAGRAPH (2)**
8 **OF THIS SUBSECTION, A STATE “OFF” INDICATOR FOR A WEEK EXISTS WHENEVER,**
9 **FOR THAT WEEK AND THE 12 IMMEDIATELY PRECEDING WEEKS, NONE OF THE**
10 **CIRCUMSTANCES DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION ARE MET.**

11 **(4) EXTENDED BENEFITS MAY NOT BE PAYABLE BASED ON A STATE**
12 **“ON” TRIGGER UNDER THIS SUBSECTION FOR ANY WEEK OF UNEMPLOYMENT**
13 **BEGINNING BEFORE JUNE 1, 2022.**

14 **[(f)] (G)** The Secretary shall make an appropriate public announcement
15 whenever an “on” indicator exists that begins or an “off” indicator exists that ends an
16 extended benefit period.

17 8–1105.

18 (a) **[The] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE**
19 weekly amount of extended benefits payable for a week of total unemployment during an
20 individual’s eligibility period is equal to the amount of regular benefits, including
21 allowances for dependents, payable to the individual for a week of total unemployment
22 during the applicable benefit year.

23 (b) The total amount of extended benefits payable to an eligible individual for the
24 applicable benefit year of the individual may not be less than the lesser of:

25 (1) 50% of the total amount of regular benefits, including allowances for
26 dependents, payable to the individual during that benefit year;

27 (2) 13 times the average weekly benefit amount of the individual; or

28 (3) 39 times the average weekly benefit amount of the individual, reduced
29 by the amount of regular benefits paid or deemed paid to the individual during that benefit
30 year.

31 (c) If the benefit year of an individual ends during an extended benefit period, the
32 balance of extended benefits to which the individual is entitled for weeks of unemployment
33 beginning after the benefit year shall be reduced, but not below zero, by an amount
34 computed by:

1 (1) determining the number of weeks for which the individual received any
2 amounts as trade readjustment allowances under the federal Trade Act of 1974 within that
3 benefit year; and

4 (2) multiplying the number determined under item (1) of this subsection
5 by the weekly amount of extended benefits of the individual.

6 (d) An individual who otherwise is eligible to receive benefits may not be denied
7 regular benefits or extended benefits for any week because the individual:

8 (1) is in a training program that the United States Secretary of Labor
9 approves under 19 U.S.C. § 2296(a)(1); or

10 (2) leaves work that is not suitable to enter a training program that the
11 United States Secretary of Labor approves under 19 U.S.C. § 2296(a)(1) because:

12 (i) the work was not of substantially equal or a higher skill level
13 than the past adversely affected employment of the individual as defined under 19 U.S.C.
14 § 2296(f); and

15 (ii) the wages for the work were less than 80% of the average weekly
16 wage of the individual as determined under 19 U.S.C. § 2296(e).

17 **(E) (1) IN THIS SUBSECTION, “HIGH UNEMPLOYMENT PERIOD” MEANS**
18 **ANY PERIOD DURING WHICH:**

19 **(I) AN EXTENDED BENEFIT PERIOD WOULD BE IN EFFECT**
20 **UNDER § 8–1103(F) OF THIS SUBTITLE; AND**

21 **(II) THE AVERAGE RATE OF TOTAL UNEMPLOYMENT,**
22 **SEASONALLY ADJUSTED, AS DETERMINED BY THE UNITED STATES SECRETARY OF**
23 **LABOR, FOR THE PERIOD CONSISTING OF THE MOST RECENT 3 MONTHS FOR WHICH**
24 **DATA FOR ALL STATES ARE PUBLISHED BEFORE THE CLOSE OF THAT WEEK IS AT**
25 **LEAST 8%.**

26 **(2) THIS SUBSECTION APPLIES ONLY TO WEEKS OF UNEMPLOYMENT**
27 **IN A HIGH UNEMPLOYMENT PERIOD.**

28 **(3) THE TOTAL AMOUNT OF EXTENDED BENEFITS PAYABLE TO AN**
29 **ELIGIBLE INDIVIDUAL FOR THE APPLICABLE BENEFIT YEAR OF THE INDIVIDUAL**
30 **MAY NOT BE LESS THAN THE LESSER OF:**

31 **(I) 80% OF THE TOTAL AMOUNT OF REGULAR BENEFITS,**
32 **INCLUDING ALLOWANCES FOR DEPENDENTS, PAYABLE TO THE INDIVIDUAL DURING**
33 **THE BENEFIT YEAR;**

1 (II) 20 TIMES THE AVERAGE WEEKLY BENEFIT AMOUNT OF THE
2 INDIVIDUAL, INCLUDING ALLOWANCES FOR DEPENDENTS; OR

3 (III) 46 TIMES THE AVERAGE WEEKLY EXTENDED BENEFIT
4 AMOUNT, REDUCED BY THE REGULAR BENEFITS, NOT INCLUDING DEPENDENTS'
5 ALLOWANCES, PAID OR DEEMED PAID TO THE INDIVIDUAL DURING THAT BENEFIT
6 YEAR.

7 8-1109.

8 NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, THE
9 SECRETARY, IF AUTHORIZED BY FEDERAL LAW, MAY SUSPEND THE PAYMENT OF
10 EXTENDED BENEFITS UNDER § 8-1105(E) OF THIS SUBTITLE, TO THE EXTENT
11 NECESSARY TO ENSURE THAT:

12 (1) OTHERWISE ELIGIBLE INDIVIDUALS ARE NOT DENIED, IN WHOLE
13 OR IN PART, THE RECEIPT OF EMERGENCY UNEMPLOYMENT COMPENSATION
14 AUTHORIZED UNDER FEDERAL LAW; AND

15 (2) THE STATE RECEIVES MAXIMUM REIMBURSEMENT FROM THE
16 FEDERAL GOVERNMENT FOR THE PAYMENT OF THE EMERGENCY BENEFITS.

17 8-1110.

18 TO THE EXTENT THAT PROVISIONS AND DEFINITIONS OF FEDERAL
19 UNEMPLOYMENT LAW ARE IN CONFLICT WITH, OR SUPPLEMENT THE PROVISIONS
20 AND DEFINITIONS IN THIS SUBTITLE, THE PROVISIONS AND DEFINITIONS OF
21 FEDERAL UNEMPLOYMENT LAW SHALL APPLY.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
23 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.