

SB1188/593120/1

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL 1188
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 17, after “programs;” insert “authorizing, subject to certain limitations, the disclosure of certain tax information to certain governmental entities for the purpose of assisting the Comptroller in certain tax compliance activity; requiring the Attorney General to pursue options, including filing actions, to recover for the State economic damages arising out of closure of the Port of Baltimore and the collapse of the Francis Scott Key Bridge;”.

On page 2, in line 5, after “Section” insert “8-611(a) and”; after line 7, insert:

“BY repealing and reenacting, with amendments,

Article - Labor and Employment

Section 8-611(k)

Annotated Code of Maryland

(2016 Replacement Volume and 2023 Supplement)”;

in line 30, after “10-207(a)” insert “and 10-208(a)”; in line 35, after “10-207(pp)” insert “and 10-208(cc)”; and after line 37, insert:

“BY repealing and reenacting, with amendments,

Article - Tax - General

Section 13-203(c)

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)”.

AMENDMENT NO. 2

On page 4, in line 9, after “DIED” insert “, ON OR AFTER JANUARY 1, 2022,”.

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On page 5, in line 1, strike “**(I)**”; in line 2, strike “**ELIGIBLE**”; in line 3, after “**INSTITUTION**” insert “**OF POSTSECONDARY EDUCATION**”; strike beginning with “**OR**” in line 3 down through “**SCHOOL;**” in line 8; in line 9, after “**OLD;**” insert “**AND**”; strike line 10 in its entirety; in line 11, strike “**(4)**” and substitute “**(3)**”; in line 15, strike “**ELIGIBLE**”; in the same line, after “**INSTITUTION**” insert “**OF POSTSECONDARY EDUCATION**”; in line 18, strike “**A RESIDENT**” and substitute “**AN**”; in line 22, strike “**RESIDENT**”; and in line 26, strike “**A RESIDENT OF**”.

On page 6, in line 4, strike “**FUNDS**” and substitute “**SUBJECT TO THE AVAILABILITY OF FUNDS, FUNDS**”.

On page 7, in lines 4 and 5, strike “**IN ACCORDANCE WITH SUBSECTION (H) OF THIS SECTION**”; and after line 21, insert:

“8-611.

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

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

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

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

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

- (i) 4 months after the natural disaster; or
- (ii) the date the employing unit reopens.

(3) THE SECRETARY SHALL WAIVE THE CHARGE OF BENEFITS PAID TO A CLAIMANT AGAINST THE EARNED RATING RECORD OF AN EMPLOYING UNIT FOR ANY CLAIM OF BENEFITS IF:

(I) THE CLAIM IS DETERMINED BY THE SECRETARY TO BE RELATED TO THE REDUCED OPERATIONS OF THE PORT OF BALTIMORE DUE TO THE COLLAPSE OF THE FRANCIS SCOTT KEY BRIDGE; AND

(II) THE EMPLOYING UNIT HAD NO DIRECT OR INDIRECT CONTROL OVER THE ACTIONS LEADING TO THE DISRUPTION IN EMPLOYMENT.”.

On page 8, strike beginning with “DURING” in line 3 down through “GOVERNOR” in line 4; in line 6, strike “LEADING TO THE STATE OF EMERGENCY” and substitute “THAT LED TO THE GOVERNOR DECLARING A STATE OF EMERGENCY VIA EXECUTIVE ORDER 01.01.2024.09”; and in line 30, strike “OR FAMILY MEMBER”.

On page 9, after line 4, insert:

“10–208.

(a) In addition to the modification under § 10–207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(CC) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2024, THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF TUITION ASSISTANCE PROVIDED TO STUDENTS WHO ARE ELIGIBLE

(Over)

**DEPENDENTS OR SURVIVING SPOUSES OF FALLEN TRANSPORTATION WORKERS
IN ACCORDANCE WITH TITLE 18, SUBTITLE 40 OF THE EDUCATION ARTICLE.**

13-203.

(c) Tax information may be disclosed to:

(14) a hospital, the Health Services Cost Review Commission, the Department of Human Services, the Maryland Department of Health, and the State Department of Education, to the extent necessary to administer § 19-214.4 of the Health – General Article; [and]

(15) subject to subsection (e) of this section, the Maryland Small Business Retirement Savings Board and its authorized contractors for the purpose of administering the Maryland Small Business Retirement Savings Program and Trust as authorized under Title 12 of the Labor and Employment Article; AND

(16) THE MARYLAND DEPARTMENT OF LABOR AND THE MARYLAND DEPARTMENT OF COMMERCE TO THE EXTENT NECESSARY TO:

(I) ADMINISTER THE TEMPORARY RELIEF PROGRAMS ESTABLISHED UNDER CHAPTERS (S.B.1188/H.B.1526) OF THE ACTS OF THE GENERAL ASSEMBLY OF 2024; OR

(II) DETECT AND PREVENT FRAUDULENT CLAIMS FOR RELIEF OR AVOIDANCE OF REQUIRED REPAYMENT UNDER THE TEMPORARY RELIEF PROGRAMS.”.

On page 11, in line 3, after “(1)” insert “are Maryland-based and”; in line 8, after “(ii)” insert “1.”; in line 9, after “benefit” insert “; or”

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2. qualify for an amount of unemployment insurance benefits that is less than the individual's earnings attributable to the individual's employment at the Port at the time the reduced operations of the Port began.

(4) (i) This paragraph does not apply to wages paid in covered employment or to wages paid for employment by a disaster relief program using employment.

(ii) Notwithstanding § 8-803 of the Labor and Employment Article, a payment to an individual under this subsection may not be included when computing the wages required to be subtracted under § 8-803(d)(1)(iii) of the Labor and Employment Article”;

in line 10, strike “paragraph (2)” and substitute “paragraphs (2), (3), and (4)”; in line 13, after “businesses,” insert “labor unions,”; in line 20, after “their” insert “Maryland-based”; in line 21, strike “and”; in line 23, after “operations” insert “; and

(iv) that has its principal business operations located in the State or will use any relief under the program established under this subsection for its workforce or operations within the State”;

in line 24, after “business,” insert “labor union,”; and after line 28, insert:

“(3) The Maryland Department of Labor shall, to the extent practicable:

(i) incorporate the work sharing unemployment insurance program under Title 8, Subtitle 12 of the Labor and Employment Article in conjunction with, or as a condition or an extension of, the temporary relief program established under this subsection; or

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(ii) substitute the work sharing unemployment insurance program under Title 8, Subtitle 12 of the Labor and Employment Article for the temporary relief program established under this subsection.

(4) (i) The program may use State funds to supplement federal funding for worker retention grants to small businesses, labor unions, or trade associations.

(ii) The program may use federal funds only for worker retention grants to entities that do not qualify as a small business, labor union, or trade association.”.

On page 12, in line 5, after “operations” insert “; and

(3) that have their principal business operations located in the State or that will use any relief under the program established under this subsection for their operations within the State”;

in line 9, after “businesses,” insert “labor unions,”; and in line 27, after “business,” insert “a labor union,”.

On page 13, in lines 1 and 6, in each instance, after “business,” insert “labor union,”; in line 2, after “business,” insert “a labor union,”; in line 14, after “business,” insert “labor union,”; in line 24, strike “any amounts necessary” and substitute “increments not greater than \$25,000,000”; and after line 36, insert:

“(2) (i) The Governor shall provide monthly reports to the Legislative Policy Committee, in accordance with § 2–1257 of the State Government Article, on funds distributed under this subsection from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article and funds distributed under Executive Order 01.01.2024.11.

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(ii) The reports required under subparagraph (i) of this paragraph shall include:

1. a full accounting of all federal and State funds provided for assistance for the immediately preceding month and in total, in the aggregate and disaggregated by program and by recipient of assistance in each program including jurisdiction of each recipient;

2. a delineation of assistance paid, loans distributed, and loans forgiven or uncollectible by each recipient of assistance for the immediately preceding month and in total;

3. a description of actions taken by State agencies in relation to expenditures of federal and State assistance, including outreach efforts and requirements the State has placed on the distribution of funds, if any;

4. a description of actions taken by businesses with assistance provided under this Act, including how the funds are being used to assist the business and workers impacted by reduced operations of the Port;

5. a description of layoffs, if any, undertaken by businesses that received assistance under this Act; and

6. a description of plans to allocate any remaining balance.

(iii) If the Legislative Policy Committee requests, the Governor shall provide a briefing to the Legislative Policy Committee on funds distributed under this section from the Revenue Stabilization Account established under § 7-311 of the State Finance and Procurement Article.

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(3) A copy of the budget amendment shall be sent to the Senate Finance Committee and the House Economic Matters Committee.

On page 14, in line 1, strike “(2)” and substitute “(4)(i)”; strike beginning with “It” in line 1 down through “if” in line 2 and substitute “Except as otherwise provided in this section.”; in line 2, strike “become” and substitute “made”; in line 3, strike “, the federal funds may” and substitute “shall”; in line 8, strike “; and” and substitute a period; in line 9, strike the first “the” and substitute “The”; in line 10, after “Commerce” insert “shall”; after line 11, insert:

“(5) Unspent funds distributed under this subsection from the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article shall revert back to the Revenue Stabilization Account.

(6) Funds received by the State from a lawsuit or, in the instance of a subrogation claim, that are related to the collapse of the Francis Scott Key Bridge shall be deposited in the Revenue Stabilization Account established under § 7–311 of the State Finance and Procurement Article.”;

in line 12, strike “(3)” and substitute “(7)”; and after line 15, insert:

“(g) The Attorney General shall:

(1) pursue all available options, including filing actions against the applicable parties, to recover for the State all possible economic damages arising from the closure of the Port and the collapse of the Francis Scott Key Bridge; and

(2) beginning July 1, 2024, and each month thereafter until all available options pursued under item (1) of this subsection are exhausted or resolved, report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the status of pursuing and recovering the economic damages.”.