

HOUSE BILL 1424

P1

EMERGENCY BILL

5lr1865
CF SB 683

By: **Delegates J. Lewis, Feldmark, Allen, Amprey, Behler, Boaf, Cardin, Charkoudian, Clippinger, Fair, Foley, Guzzone, Harrison, Healey, Holmes, Ivey, D. Jones, Kaufman, Korman, R. Lewis, Mireku-North, Moon, Palakovich Carr, Pasteur, Pruski, Roberts, Simmons, Solomon, Spiegel, Stein, Stewart, Terrasa, Toles, Valderrama, Vogel, Wells, White Holland, Williams, Wolek, ~~and Ziegler~~ Ziegler, Barnes, Chang, Acevero, Edelson, Forbes, Harris, McCaskill, Ruff, Schindler, Shetty, and Watson**

Introduced and read first time: February 7, 2025

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 26, 2025

CHAPTER _____

1 AN ACT concerning

2 **Catastrophic Event Account ~~and~~, Federal Government Shutdown Employee**
3 **Assistance Loan Fund, and Powers of the Attorney General – Alterations**
4 **(Protect Our Federal Workers Act)**

5 FOR the purpose of renaming the Federal Government Shutdown Employee Assistance
6 Loan Fund to be the Federal Government Employee Assistance Loan Fund;
7 authorizing funds appropriated to the Catastrophic Event Account to be expended to
8 assist in funding costs in connection with a closure, relocation, or mass layoff of a
9 unit of the federal government, or other similar circumstances; altering the purpose
10 of the Fund and the eligibility criteria to receive loans from the Fund; authorizing
11 the Maryland Department of Labor to forgive a loan from the Fund; expanding the
12 authority of the Attorney General to take certain actions under certain
13 circumstances; increasing the amount the Governor is required to appropriate in the
14 proposed budget each year to the Attorney General to be used for certain purposes;
15 altering a requirement that the Attorney General use a certain appropriation to
16 employ a certain number of attorneys; and generally relating to the Catastrophic
17 Event Account ~~and~~, the Federal Government Employee Assistance Loan Fund, and
18 the powers of the Attorney General.

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.



1 BY repealing and reenacting, without amendments,
 2 Article – State Finance and Procurement
 3 Section 6–226(a)(1) and (2)(i)
 4 Annotated Code of Maryland
 5 (2021 Replacement Volume and 2024 Supplement)

6 BY repealing and reenacting, with amendments,
 7 Article – State Finance and Procurement
 8 Section 6–226(a)(2)(ii)118., 7–324, and 7–327
 9 Annotated Code of Maryland
 10 (2021 Replacement Volume and 2024 Supplement)

11 BY repealing and reenacting, with amendments,
 12 Article – State Government
 13 Section 6–106.1
 14 Annotated Code of Maryland
 15 (2021 Replacement Volume and 2024 Supplement)

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

18 **Article – State Finance and Procurement**

19 6–226.

20 (a) (1) Except as otherwise specifically provided by law or by regulation of the
 21 Treasurer, the Treasurer shall credit to the General Fund any interest on or other income
 22 from State money that the Treasurer invests.

23 (2) (i) 1. This subparagraph does not apply in fiscal years 2024
 24 through 2028.

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

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

33 118. the Federal Government [Shutdown] Employee
 34 Assistance Loan Fund;

35 7–324.

1 (a) In this section, “Account” means the Catastrophic Event Account.

2 (b) Subject to the provisions of this section, the Account is established to enable
3 the State or a local government to respond without undue delay to:

4 (1) a natural disaster or other catastrophic situation[, or];

5 (2) federal employee financial hardship from a full or partial federal
6 government shutdown due to a lapse in federal appropriations that cannot be taken care of
7 within the resources of existing appropriations; OR

8 (3) **FORMER FEDERAL EMPLOYEE FINANCIAL HARDSHIP FROM THE**
9 **CLOSURE, RELOCATION, OR MASS LAYOFF OF A UNIT OF THE FEDERAL**
10 **GOVERNMENT, OR OTHER SIMILAR CIRCUMSTANCES.**

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

12 (d) (1) Subject to paragraph (2) of this subsection, after a 15–day review and
13 comment period by the Legislative Policy Committee, the Governor may transfer funds by
14 budget amendment from the Account to the expenditure accounts of the appropriate unit
15 of State government or unit of local government.

16 (2) If the federal government is in a full or partial shutdown due to a lapse
17 in appropriations, after a 2–day review and comment period by the Legislative Policy
18 Committee, the Governor may transfer funds by budget amendment from the Account to
19 the Federal Government [Shutdown] Employee Assistance Loan Fund established under §
20 7–327 of this subtitle.

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

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

24 (2) may be expended to assist a unit of State government or unit of local
25 government in funding costs in connection with:

26 (I) a natural disaster[.];

27 (II) a catastrophic situation[, or];

28 (III) a full or partial federal government shutdown due to a lapse in
29 appropriations; OR

30 (IV) **A CLOSURE, RELOCATION, OR MASS LAYOFF OF A UNIT OF**
31 **THE FEDERAL GOVERNMENT.**

1 (f) (1) The Account is a continuing, nonlapsing fund which is not subject to §
2 7-302 of this subtitle.

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

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

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

8 (g) Money appropriated to the Account does not revert to the Revenue
9 Stabilization Account.

10 7-327.

11 (a) In this section, "Fund" means the Federal Government [Shutdown] Employee
12 Assistance Loan Fund.

13 (b) There is a Federal Government [Shutdown] Employee Assistance Loan Fund.

14 (c) The purpose of the Fund is to provide loans to [employees of the federal
15 government] **STATE RESIDENTS** who [are]:

16 (1) [required to report to work at a work site located in the State; and

17 (2)] **ARE EMPLOYEES OF THE FEDERAL GOVERNMENT WHO ARE** not
18 being paid because of a full or partial federal government shutdown due to a lapse in
19 appropriations; **OR**

20 **(2) IN THE IMMEDIATELY PRECEDING 6 MONTHS WERE TERMINATED**
21 **FROM EMPLOYMENT BY THE FEDERAL GOVERNMENT DUE TO THE CLOSURE,**
22 **RELOCATION, OR MASS LAYOFF OF A UNIT OF THE FEDERAL GOVERNMENT, OR**
23 **OTHER SIMILAR CIRCUMSTANCES BEYOND THE EMPLOYEES' CONTROL.**

24 (d) The Maryland Department of Labor shall administer the Fund.

25 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of
26 this subtitle that shall be available in perpetuity for the purpose of providing loans in
27 accordance with the provisions of this section.

28 (2) The State Treasurer shall hold the Fund separately, and the
29 Comptroller shall account for the Fund.

30 (f) The Fund consists of:

- 1 (1) money appropriated in the State budget to the Fund;
- 2 (2) any interest earnings of the Fund;
- 3 (3) money transferred from the Catastrophic Event Account in accordance
4 with § 7–324 of this subtitle;
- 5 (4) repayments on loans made from the Fund; and
- 6 (5) any other money from any other source accepted for the benefit of the
7 Fund.

8 (g) The Fund shall be used only to provide no–interest loans to [employees of the
9 federal government] **STATE RESIDENTS** who [are]:

- 10 (1) [required to report to work at a work site located in the State; and
- 11 (2)] **ARE EMPLOYEES OF THE FEDERAL GOVERNMENT WHO ARE** not
12 being paid because of a full or partial federal government shutdown due to a lapse in
13 appropriations; **OR**

14 **(2) IN THE IMMEDIATELY PRECEDING 6 MONTHS WERE TERMINATED**
15 **FROM EMPLOYMENT BY THE FEDERAL GOVERNMENT DUE TO THE CLOSURE,**
16 **RELOCATION, OR MASS LAYOFF OF A UNIT OF THE FEDERAL GOVERNMENT, OR**
17 **OTHER SIMILAR CIRCUMSTANCES BEYOND THE EMPLOYEES’ CONTROL.**

18 (h) (1) The State Treasurer shall invest the money of the Fund in the same
19 manner as other State money may be invested.

20 (2) Any interest earnings of the Fund shall be credited to the Fund.

21 (i) (1) Subject to paragraph (2) of this subsection, the Maryland Department
22 of Labor shall establish procedures and eligibility criteria for loans from the Fund.

23 (2) The eligibility criteria shall include that:

24 (i) **1.** the federal government is in a full or partial shutdown due
25 to a lapse in appropriations; **OR**

26 **2. A UNIT OF THE FEDERAL GOVERNMENT HAS BEEN**
27 **CLOSED, BEEN RELOCATED, EXPERIENCED MASS LAYOFFS, OR EXPERIENCED**
28 **OTHER SIMILAR CIRCUMSTANCES; and**

29 (ii) an individual applying for a loan from the Fund is:

30 **1. A RESIDENT OF THE STATE; AND**

1 **2. A.** an employee of the federal government **WHO IS NOT**
 2 **BEING PAID BECAUSE OF THE FULL OR PARTIAL FEDERAL GOVERNMENT SHUTDOWN**
 3 **DUE TO THE LAPSE IN APPROPRIATIONS; OR**

4 [2. required to report to work at a work site located in the
 5 State; and

6 3. not being paid because of the full or partial federal
 7 government shutdown due to the lapse in appropriations]

8 **B. A FORMER EMPLOYEE OF THE FEDERAL**
 9 **GOVERNMENT WHO, WITHIN THE 6 MONTHS IMMEDIATELY PRECEDING THE DATE OF**
 10 **THE LOAN APPLICATION, WAS TERMINATED FROM EMPLOYMENT BY THE FEDERAL**
 11 **GOVERNMENT DUE TO THE CLOSURE, RELOCATION, OR MASS LAYOFF OF A UNIT OF**
 12 **THE FEDERAL GOVERNMENT, OR OTHER SIMILAR CIRCUMSTANCES BEYOND THE**
 13 **INDIVIDUAL'S CONTROL.**

14 (3) The procedures shall include:

15 (i) application procedures;

16 (ii) payment procedures from the Fund; and

17 (iii) **IF REPAYMENT IS REQUIRED**, repayment procedures, including
 18 timelines, for an individual to repay a loan from the Fund.

19 **(4) THE MARYLAND DEPARTMENT OF LABOR MAY FORGIVE A LOAN**
 20 **PROVIDED UNDER THIS SECTION.**

21 **Article – State Government**

22 **6–106.1.**

23 (a) **The General Assembly finds that:**

24 **(1) the federal government's action or failure to take action may pose a**
 25 **threat to the health and welfare of the residents of the State; and**

26 **(2) the State should investigate and obtain relief from any arbitrary,**
 27 **unlawful, or unconstitutional federal action or inaction and prevent such action or inaction**
 28 **from harming the residents of the State.**

29 **(b) (1) In addition to any other powers and duties and subject to the**
 30 **requirements of this subsection, the Attorney General may investigate, commence, and**
 31 **prosecute or defend any civil or criminal suit or action that is based on the federal**

1 government's action or inaction that threatens the public interest and welfare of the
2 residents of the State with respect to:

3 (i) protecting the health of the residents of the State and ensuring
4 the availability of affordable health care;

5 (ii) safeguarding public safety and security;

6 (iii) protecting civil liberties;

7 (iv) preserving and enhancing the economic security of workers and
8 retirees;

9 (v) protecting financial security of the residents of the State,
10 including their pensions, savings, and investments, and ensuring fairness in mortgages,
11 student loans, and the marketplace;

12 (vi) protecting the residents of the State against fraud and other
13 deceptive and predatory practices;

14 (vii) protecting the natural resources and environment of the State;

15 (viii) protecting the residents of the State against illegal and
16 unconstitutional federal immigration and travel restrictions; [or]

17 **(IX) PROTECTING RESIDENTS OF THE STATE WHO ARE**
18 **EMPLOYEES OF THE FEDERAL GOVERNMENT WHO ARE NOT BEING PAID BECAUSE OF**
19 **A FULL OR PARTIAL FEDERAL GOVERNMENT SHUTDOWN DUE TO A LAPSE IN**
20 **APPROPRIATIONS;**

21 **(X) PROTECTING RESIDENTS OF THE STATE WHO WERE**
22 **EMPLOYEES OF THE FEDERAL GOVERNMENT, AND ON OR AFTER JANUARY 1, 2025:**

23 **1. WERE TERMINATED FROM EMPLOYMENT BY THE**
24 **FEDERAL GOVERNMENT DUE TO THE CLOSURE, RELOCATION, OR MASS LAYOFF OF**
25 **A UNIT OF THE FEDERAL GOVERNMENT, OR OTHER SIMILAR CIRCUMSTANCES**
26 **BEYOND THE EMPLOYEES' CONTROL; OR**

27 **2. SEPARATED FROM EMPLOYMENT BY THE FEDERAL**
28 **GOVERNMENT AS A RESULT OF A VOLUNTARY SEPARATION INCENTIVE PAYMENT; OR**

29 **[(ix)] (XI) otherwise protecting, as parens patriae, the State's**
30 **interest in the general health and well-being of its residents.**

1 (2) Except as provided in paragraph (4) of this subsection, before
2 commencing a suit or an action under paragraph (1) of this subsection, the Attorney
3 General shall provide to the Governor:

4 (i) written notice of the intended suit or action; and

5 (ii) an opportunity to review and comment on the intended suit or
6 action.

7 (3) If the Governor objects to the intended suit or action for which notice
8 was provided under this subsection:

9 (i) the Governor shall provide in writing to the Attorney General the
10 reasons for the objection within 10 days after receiving the notice; and

11 (ii) except as provided in paragraph (4) of this subsection, the
12 Attorney General shall consider the Governor's objection before commencing the suit or
13 action.

14 (4) If the Attorney General determines that emergency circumstances
15 require the immediate commencement of a suit or an action under paragraph (1) of this
16 subsection, the Attorney General shall provide to the Governor notice of the suit or action
17 as soon as reasonably practicable.

18 (c) The Governor's proposed budget for fiscal year 2019, and for each fiscal year
19 thereafter, shall appropriate at least [\$1,000,000] **\$2,500,000** to the Attorney General to
20 be used only for:

21 (1) carrying out this section; and

22 (2) employing [five] attorneys in the Office of the Attorney General.

23 SECTION 2. AND BE IT FURTHER ENACTED, That:

24 (a) Notwithstanding § 7-311(i) of the State Finance and Procurement Article,
25 after providing the Legislative Policy Committee with at least 7 days to review and
26 comment, the Governor may transfer up to \$5,000,000 from the Revenue Stabilization
27 Account under § 7-311 of the State Finance and Procurement Article to the Federal
28 Government Employee Assistance Loan Fund under § 7-327 of the State Finance and
29 Procurement Article, as enacted by Section 1 of this Act.

30 (b) Notwithstanding § 7-311(i) of the State Finance and Procurement Article,
31 after providing the Legislative Policy Committee with at least 7 days to review and
32 comment, the Governor may transfer up to \$1,500,000 from the Revenue Stabilization
33 Account under § 7-311 of the State Finance and Procurement Article to the expenditure
34 accounts of the Attorney General to fund costs associated with carrying out § 6-106.1 of the
35 State Government Article, as enacted by Section 1 of this Act.

1 ~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July~~
2 ~~1, 2025.~~

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

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.