



MARYLAND LEGAL AID

Advancing
**Human Rights and
Justice for All**

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Honorable Dereck E. Davis
Chairperson, House Economic Matters Committee,
And
Honorable Delegate Lorig Charkoudian
Member, House Economic Matters Committee
House Office Building, 6 Bladen St., Annapolis, Maryland
Annapolis, MD 21401

RE: **Maryland Legal Aid's Testimony in Support of House Bill 1002-
Unemployment Insurance – Revisions and Required Study**

Dear Chairman Davis, Delegate Charkoudian, and Members of the Economic Matters Committee:

Thank you for the opportunity to provide testimony on this important Bill. Maryland Legal Aid (MLA) is a private, non-profit law firm that provides free civil legal services to low-income Marylanders. MLA has 12 offices across the state dedicated to assisting individuals and families with various civil legal issues. MLA has extensive experience handling public benefit matters, including issues related to unemployment benefits. Cornelia Bright Gordon, Esq. will testify on behalf of MLA at the request of Delegate Lorig Charkoudian. Maryland Legal Aid strongly supports HB 1002 with amendments and asks that this Committee give it a favorable report.

The struggle of unemployed Maryland residents during this challenging pandemic is exacerbated by massive systemic problems with the administration of unemployment benefits by the Maryland Department of Labor ("MDOL or agency"). HB 1002 will ease this burden by requiring the agency to establish standards and systems for timely processing of claims. This will permit people to track the status of their claims and the anticipated timeline for resolution. The Bill requires the agency to provide clear notices related to an overpayment, as well as an opportunity to engage with the Health Benefit Exchange. MLA commends the language contained in HB 1002 and suggests limited amendments related to paper notices, appeal rights, and documents' translation.

First, MLA recommends that the Bill be amended to require MDOL to note that applicants can obtain **paper-based notices of agency action**. MDOL relies heavily on the web portal BEACON 2.0 as its primary interface. Also, MDOL has created a BEACON *mobile* application (the BEACON App), but the mobile app has limited functionality. This is especially problematic for low-income, disabled and older adult populations because so many do not have computers or laptops. For example, initial applications for unemployment benefits must be filed through the main web-based BEACON 2.0 portal and cannot be filed through the mobile browser - BEACON App.

Additionally, agency notices are not accessible in the BEACON App. Consequently, MLA clients frequently miss agency notices and suffer a concomitant loss of benefits. This is unacceptable.

In MLA's experience, many older adult clients are not adept at internet programs and have great difficulty using BEACON and accessing their BEACON notices. They are losing benefits because they cannot access the agency portal. MLA recommends that HB 1002 recognize these community members and that the Bill be amended to require MDOL to note that applicants can retain paper-based notices of agency action, as they used to.

Second, MLA recommends that HB 1002 be amended to include a requirement that MDOL must provide a **translation of documents**, in addition to interpretation services. This is a bedrock requirement of all Maryland agencies under federal civil rights law and federal unemployment benefit administration guidance from the U.S. Department of Labor. Federal guidance and law clearly state that web-based filing systems such as BEACON ordinarily limit access to disabled persons, older adults, and LEP individuals. For this reason, federal law requires MDOL to instill methods of administration that are reasonably calculated to ensure access to web-based programs and services.

BEACON and the MDOL telephone system are problematic for persons that speak languages other than Spanish or English. The general claimant hotline's automatic prompts are only available in English or Spanish and do not notify callers that telephonic interpretation is available in other languages. Callers who speak languages other than Spanish or English must access an English-Speaking agent on the MDOL telephone system and then communicate their request for an interpreter to the agent. On the other hand, BEACON 2.0 has zero language access service other than English or Spanish and cannot be used by individuals that speak any other language. Consequently, to file an unemployment application, a Limited English Speaking (LEP) applicant must access a live agent on the telephone. HB 1002 will enact provisions that will eliminate certain barriers to the application for unemployment insurance benefits in Maryland, and just as importantly, will provide transparency to the process.

Third, MLA recommends that HB 1002 be amended to include a provision that all adverse agency action, including notices of overpayment, must **include appeal rights**. Federal law requires all states to provide the right to appeal an overpayment assessment. Consequently, when MDOL asserts that a claimant has been overpaid, it must provide written notice of appeal rights, including an opportunity for a hearing. MLA has many clients whose benefits were stopped entirely or significantly reduced because MDOL found an overpayment. In many cases, neither a notice of overpayment nor associated appeal rights were ever issued. Even where MLA has been able to negotiate benefits for many clients, their payment was suddenly stopped or reduced by thousands of dollars without written notice of explanation or opportunity to appeal and contest the agency determination. The agency summarily rejects appeals filed by clients and counsel. MLA asserts that without noted appeal rights, any agency assessment of an overpayment ultimately becomes a State-taking of property (a claw-back of benefits) without explanation or opportunity to be heard and is a violation of the due process of law. MLA clients feel angry, disenfranchised, and robbed.

In summary, MLA's clients would directly benefit from the changes proposed by HB 1002. If enacted, the law will provide much-needed relief to the suffering experienced by a population who have lost their jobs but cannot communicate with MDOL or receive an explanation as to what is going on with their application for unemployment benefits. MLA recommends amendments to include a) an opportunity to appeal all adverse agency actions, b) document translation requirements, and c) a clear opportunity to receive paper notices from the agency set out at the beginning of the application process.

MLA strongly supports HB 1002 and urges this Committee to give it a favorable report.

/s/ Cornelia Bright Gordon

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