

Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

March 2, 2021

Committee: Senate Finance

Bill: SB 790 Unemployment Insurance – Reimbursing Employers – Deferral of

Payment During a State of Emergency for COVID-19

Position: Support

Reason for Position:

The Maryland Municipal League supports Senate Bill 790, which extends the time an employer has to make a reimbursement payment to the Unemployment Insurance Fund. The typical due date for reimbursement payments is 30 days from receipt by the employer, but this bill would allow an employer up to 1 year after the COVID-19 State of Emergency ends.

Local governments are facing significant financial instability as a result of the COVID-19 pandemic, and have received very little federal support. However, they are managing to retain most of their employees and so making payments into the Unemployment Insurance Fund is uncommon. Allowing payment deferrals will not be abused, but provides a valuable tool to local governments who need flexibility and additional resources in these challenging times.

For these reasons, the Maryland Municipal League supports Senate Bill 790 and respectfully requests a favorable committee report.

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