



**MARYLAND
LEGAL AID**

Advancing
**Human Rights and
Justice for All**

**STATEWIDE
ADVOCACY SUPPORT UNIT**

Cornelia Bright Gordon, Esq.
Director of Advocacy
for Administrative Law
(410) 951-7728
cbgordon@mdlalab.org

Gregory Countess, Esq.
Director of Advocacy
for Housing & Community
Economic Development
(410) 951-7687
gcountess@mdlalab.org

Anthony H. Davis, II, Esq.
Director of Advocacy
for Consumer Law
(410) 951-7703
adavis@mdlalab.org

Erica I. LeMon, Esq.
Director of Advocacy
for Children's Rights
(410) 951-7648
elemon@mdlalab.org

EXECUTIVE STAFF

Wilhelm H. Joseph, Jr., Esq.
Executive Director

Stuart O. Simms, Esq.
Chief Counsel

Gustava E. Taler, Esq.
Chief Operating Officer

Administrative Offices
500 East Lexington Street
Baltimore, MD 21202
(410) 951-7777
(800) 999-8904
(410) 951-7778 (Fax)

www.mdlalab.org
01.2022



March 1, 2022

The Honorable C.T. Wilson
Chair, House Economic Matters Committee
Room 231
House Office Building
Annapolis, MD 21401

Re: Support for House Bill 955

Dear Mr. Chairman, Vice Chair Crosby, and Members of the Committee:

Thank you for the opportunity to testify in support of HB 955. This Bill creates procedures and much-needed clarity related to the State's recovery of unemployment benefits allegedly being overpaid. It will significantly benefit unemployment claimants because they will receive an explanation of the State's determination and billing, rather than just a surprise bill with no understanding of how it was calculated. Maryland Legal Aid (MLA) submits this testimony at the request of Delegate Charkoudian.

MLA is a non-profit law firm that provides free legal services to the State's low-income and vulnerable residents, including seniors and veterans. MLA handles civil legal cases involving a wide range of issues, including government benefits, housing, family law, consumer law (e.g., bankruptcy and debt collection), health law, and criminal record expungements. Maryland Legal Aid has assisted thousands of clients seeking assistance with unemployment benefits and alleged overpayments.

The current process where Marylanders are notified of an alleged overpayment of benefits lacks clarity and fails to provide due process to citizens. MLA's clients are frequently shocked by hefty, unexpected bills and generally have little recourse to contest the amount and even less understanding why it was assessed.

HB 955 creates a way for claimants to participate when the Maryland Department of Labor (MDOL or agency) initiates an overpayment allegation. The Bill also requires that the agency issue an explanation as to how the overpayment was calculated. This provision is essential – MLA has seen many cases where the

calculation of the alleged overpayment was a complete mystery. No agency personnel is available to explain. The client suddenly receives a large bill with a payment deadline. HB 955 creates notice requirements that are on a par with the process used by other State and Federal agencies when alleging overpaid benefits.

The Maryland General Assembly has proclaimed that “economic insecurity due to unemployment is a serious menace to the health, morals, and welfare of the people” of Maryland.¹ Unemployment Insurance benefits are intended to benefit individuals who become unemployed due to no fault of their own. Job loss creates uncertainty, hardship, and much fear. Unemployment benefits help to salve the hardship. Unfortunately, the sudden appearance of invoices demanding the return of thousands of dollars of unemployment benefits without explanation represents unreasonable, uncivil, and unconstitutional State action.

MLA also notes that many clients are on the “wrong side” of the digital divide. Many MLA clients lack internet service, smartphones, and/or laptops. Many MLA older adult clients are employed and are entitled to unemployment benefits – but they do not use email. For these clients, emailed notice can be tantamount to zero notice. HB 955 requires the agency to send notices of overpayment by U.S. mail, which will put these individuals on a parity with people with internet and email access.

Thank you for the opportunity to provide testimony on this Bill. MLA highly recommends the Bill and **urges the Committee to issue a favorable report on HB 955.**

Sincerely,

/s/ CBG

Cornelia Bright Gordon

Director of Advocacy for Administrative Law

¹ Md. Ann. Code, Lab. & Empl. § 8-102(b)(1).