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Legislative District 20
Montgomery County

Economic Matters Committee

Subcommittees

Public Utilities

Chair, Unemployment Insurance



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THE MARYLAND HOUSE OF DELEGATES
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HB 955 – UNEMPLOYMENT INSURANCE- PROCEDURES FOR RECOVERY OF OVERPAYMENT
OF BENEFITS- ALTERATIONS
TESTIMONY OF DELEGATE LORIG CHARKOUDIAN
MARCH 1, 2022

Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee,

When an individual applies for unemployment insurance they are experiencing a financially vulnerable moment in their life. At present, the Maryland Department of Labor exacerbates this vulnerability through its redetermination and over-payment notification process. In addition, the Department is operating out of compliance with federal and state law.

Right now in Maryland, too often claimants do not receive notification from the Department until after a determination has been made. The first document they receive is the notification requiring for funds to be paid back- they may have never even known that there was a determination process occurring. Often, funds are being recovered from claimants when they had no participation and no due process protections.

Federal law requires that throughout the determination and redetermination process the claimant must be made aware of the information the Department is considering, have an opportunity to engage with due process in the consideration, and have an opportunity to appeal the decision. State law requires that when an overpayment notice is sent, there are 30 days to appeal the determination decision.

HB 955 codifies the federal due process requirements into Maryland state law. It amends the redetermination process by requiring the Secretary of Labor to conduct a predetermination investigation before seeking the recovery of unemployment insurance benefits that have been paid to a claimant. It requires written notice outlining the following items:

- The factual and evidentiary information
- If and the amount of monetary penalties that may be due
- Instructions on how the claimant may appeal the determination
- Instructions on how to respond within 30 days in writing or by phone
- How and when to file an application to request a waiver of overpayment

These updates to this process will allow vulnerable Marylanders an opportunity to better understand and advocate for themselves during the redetermination process.

Also we will have a clarifying amendment that I would like the committee to consider.

I respectfully request a favorable report on HB 955.

