

Testimony to the House Economic Matters Committee HB 140 Unemployment Insurance-Recovery of Benefits-Limitations Position: Favorable

February 21, 2023

The Honorable C.T. Wilson, Chair House Economic Matters Committee Room 231, House Office Building Annapolis, Maryland 21401 cc: Members, House Economic Matters Committee

Honorable Chair Wilson and Members of the Committee:

Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

We are writing today in support of HB 140.

HB 140 addresses the issue of how the Department of Labor can recover an overpayment of unemployment benefits in certain, limited circumstances. The legislation establishes the percentage of the weekly benefit that can be deducted from the benefits with a smaller percentage being deducted for smaller overpayments.

This legislation will provide clarity for those receiving benefits so they do not face income volatility and liquidity issues. This clarifying legislation ensures that the Department of Labor is repaid over time but does so in a way that unemployed residents who are dependent on this benefit can plan and manage their expenses in a reasonable way. This resolves the issue of repayment while ensuring that consumers aren't thrown into financial disarray if a large amount is suddenly deducted from their benefits checks.

For all these reasons, we support HB 140 and urge a favorable report.

Best,

Marceline White Executive Director