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Senate Bill 628

Date: February 7, 2024

Committee: Senate Budget & Tax Committee

Bill Title: State Finance – Catastrophic Event Account and Federal Government Shutdown

Employee Assistance Loan Fund – Noncivilian Federal Employees

Re: Letter of Support

SB 628 would add noncivilian employees to the group of federal employees in Maryland eligible to receive financial assistance under the Federal Shutdown Paycheck Protection Act.

The General Assembly passed the Paycheck Protection Act in 2019 following the last federal shutdown. That shutdown lasted an unprecedented 34 days and pointed to the need for emergency assistance for employees impacted by the shutdown who might struggle to make ends meet without a paycheck.

The Paycheck Protection Act named civilian employees of the federal government as eligible for assistance under the statute, but it excluded noncivilian employees - that is, Maryland's roughly 30,000 active duty service members.

These individuals work at installations that include Fort Meade, Fort Detrick, Patuxent Naval Air Station, and Andrews Naval Air Facility - in jobs such as combat training, construction, engineering, healthcare, machine operation and repair, and transportation.

All other eligibility requirements for the federal shutdown loan program would apply to noncivilian applicants. They would be eligible only if they were designated as an "excepted," or "essential," employee - those who are required to work but are not paid during the shutdown due to a lapse in appropriations - and only if they were required to report to a work site in Maryland.

If eligible, they would be able to receive a \$700 no-interest loan under the program, as currently constructed. If the shutdown were prolonged and funding remained, a second loan would be offered. Loans would be due to be repaid to the State once the shutdown had ended and after they had received back pay for the shutdown period.

Having created the loan program in 2023, we hope that it will remain unneeded in 2024 and thereafter because shutdowns are averted. But, in the event that a shutdown does occur, it is critical that this assistance be available to civilian and noncivilian employees alike.



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The Department respectfully asks the Committee to consider this information and vote favorably on SB 628.