

Letter of Support - SB 234 (2024).docx.pdf

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Senate Bill 234

Date: March 5, 2024
Committee: Senate Finance Committee
Bill Title: Unemployment Insurance - Work Search Requirement - Exemption for
Federal Civilian Employees During a Federal Government Shutdown
Re: **Letter of Support**

Maryland is home to a significant number of federal civilian employees. Senate Bill 234 (hereinafter “SB 234” or “the Bill”) would amend Title 8 of the Labor and Employment Article, Section 8-903 to expressly permit the Secretary of Labor to waive the active search for work requirement for furloughed federal civilian employees during a full or partial government shutdown due to a lapse in appropriations.

Maryland law permits the Secretary of Labor to exempt certain unemployment insurance claimants from the active search for work requirement in similar circumstances, but it does not include a provision which expressly exempts furloughed federal civilian employees from the requirement during a full or partial government shutdown, even though they are similarly situated. Furloughed workers must adhere to certain standards of ethical conduct while furloughed, which include rules regarding outside employment. For example, there are laws which prohibit certain outside activities and agency-specific rules that require approval of, and sometimes prohibit, outside employment. During a shutdown, furloughed workers may not be able to consult agency ethics officials to seek guidance on these issues.

The Department does not anticipate any impact on expenditures or revenues as a result of the Bill and asks for a Favorable report from the Committee on SB 234.

SB 234 - Unemployment Insurance - Work Search Requ

Uploaded by: Donna Edwards

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**SB 234 - Unemployment Insurance - Work Search Requirement - Exemption for Federal Civilian Employees During a Federal Government Shutdown
Senate Finance Committee
March 5, 2024**

SUPPORT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Madame Chair and members of the Committee, thank you for the opportunity to submit testimony in support of SB 234. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

SB 234 removes the requirement that federal civilian employees who are furloughed by the Federal Government during a shutdown actively seek new employment. The unemployment insurance system in Maryland currently requires that recipients apply to new jobs in order to maintain eligibility for benefits. This work search requirement is justified as a way to get workers re-employed. Since federally furloughed workers are not receiving pay from their employer through no fault of their own and the state's goal is not to encourage these workers to leave federal employment, the work search requirement has no benefit or justification to the state's interests.

In order to meet the definition of actively looking for work, the Maryland Department of Labor requires that recipients complete "at least three valid reemployment activities each week, which must include at least one job contact."¹ This also requires applicants to keep records of their contacts with employers. These records are subject to audit and potential denial of benefits.

We urge the committee to issue a favorable report on SB 234.

¹ Maryland Department of Unemployment Insurance Communications. "Maryland's Work Search Requirements."

240304_SB234_Unemployment Insurance – Work Search

Uploaded by: Sarah Roth

Position: FAV



March 4, 2024

The Honorable Pamela Beidle
Chair, Finance Committee
3 East, Miller Senate Office Building
Annapolis, Maryland 21401

The Honorable Katherine Klausmeier
Vice Chair, Finance Committee
3 East, Miller Senate Office Building
Annapolis, Maryland 21401

Dear Chair Beidle and Vice Chair Klausmeier,

I would like to express my full support for *Senate Bill 234 – Unemployment Insurance – Work Search Requirement – Exemption for Federal Civilian Employees During a Federal Government Shutdown*.

Federal Civilian Employees are the backbone of Maryland's workforce. There are around 140,000 employees in Maryland. Currently, furloughed federal civilian employees can apply for Unemployment Compensation for Federal Employees (UCFE) benefits during a partial or full government shutdown. UCFE has the same work search requirements as Maryland unemployment insurance. This requirement is troublesome for federal employees because they are still employed by their federal agency and will return to work once government funding is restored.

Maryland law as it stands allows the Maryland Secretary of Labor to exempt certain claimants of Unemployment Insurance from certain requirements. SB234 will include furloughed federal civilian employees in that group of claimants and allow the Secretary of Labor to waive them from the work search requirement to receive unemployment benefits. Additionally, this bill will ease the administrative burden on the Maryland Department of Labor and allow civilian federal employee claimants to receive benefits quicker. The Maryland Department of Labor does not foresee any impact on expenditures or revenues if this bill is enacted into law.

I strongly urge this committee to give *Senate Bill 234 – Unemployment Insurance – Work Search Requirement – Exemption for Federal Civilian Employees During a Federal Government Shutdown* a favorable review.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Trone".

David Trone
Member of Congress