EMERGENCY BILL

1lr2105 CF HB 1138

## By: Senator Klausmeier (Chair, Joint Committee on Unemployment Insurance Oversight)

Introduced and read first time: February 9, 2021

Assigned to: Finance

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## A BILL ENTITLED

|   | A TAT |     | •          |
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| L | AN    | ACT | concerning |

## 2 Unemployment Insurance – Maryland Department of Labor – Accountability and Oversight

4 FOR the purpose of requiring the Maryland Department of Labor to submit a report on the 5 administration and operation of the State's unemployment insurance laws to certain 6 persons on or before a certain day each month; requiring the Department to monitor 7 the Unemployment Insurance Fund for a disaster; requiring the Department, when 8 a certain determination is made, to initiate a certain plan and to comply with certain 9 reporting requirements; requiring the Assistant Secretary for the Division of 10 Unemployment Insurance to announce certain information when a disaster no longer 11 exists; requiring the Department to submit a certain disaster report to certain 12 persons within a certain time period and with certain frequency thereafter; 13 exempting the Department from certain requirements for hiring staff and requiring the Department to hire certain staff during a disaster; requiring the Assistant 14 15 Secretary to oversee compliance with certain requirements during a disaster; 16 defining a certain term; making this Act an emergency measure; and generally 17 relating to unemployment insurance.

- 18 BY repealing and reenacting, without amendments,
- 19 Article Labor and Employment
- 20 Section 8–101(a), (e), (j), (m), (m–1), and (x) and 8–311
- 21 Annotated Code of Maryland
- 22 (2016 Replacement Volume and 2020 Supplement)
- 23 BY adding to
- 24 Article Labor and Employment
- 25 Section 8–101(m–2), 8–311.1, and 8–311.2
- 26 Annotated Code of Maryland
- 27 (2016 Replacement Volume and 2020 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 2 That the Laws of Maryland read as follows:

## Article - Labor and Employment

4 8–101.

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- 5 (a) In this title the following words have the meanings indicated.
- 6 (e) "Benefits" means the money that is payable under this title to an individual 7 who is unemployed.
- 8 (j) "Claimant" means an individual who submits a claim for benefits.
- 9 (m) "Department" means the Maryland Department of Labor.
- 10 (m-1) "Determination" means a decision made by or on behalf of the Secretary under this title.
- 12 (M-2) "DISASTER" MEANS AN INCIDENT OR OCCURRENCE FOR WHICH AN "ON"
  13 INDICATOR UNDER § 8-1103 OF THIS TITLE TRIGGERS AN EXTENDED BENEFITS
  14 PERIOD.
- 15 (x) "Secretary" means the Secretary of Labor.
- 16 8–311.
- 17 (a) On or before January 1 of each year, the Secretary shall submit to the 18 Governor an annual report on the administration and operation of this title during the 19 previous fiscal year.
- 20 (b) The annual report shall include:
- 21 (1) a balance sheet for the Unemployment Insurance Fund;
- 22 (2) a table that shows the amount of any benefit that was ineffectively 23 charged or not charged to the experience rating record of an employer;
- 24 (3) the reason for not charging the amount of any benefit to the experience 25 rating record of an employer;
- 26 (4) by category of disqualification, the amount of any benefit that was paid 27 after a disqualification under Subtitle 10 of this title; and
- 28 (5) any recommendation for an amendment to this title that the Secretary considers proper.

1 **8–311.1.** 

- 2 (A) ON OR BEFORE THE FIRST DAY OF EACH MONTH, THE SECRETARY
- $3\,\,$  shall submit to the presiding officers, the Senate Finance Committee,
- 4 AND THE HOUSE ECONOMIC MATTERS COMMITTEE, IN ACCORDANCE WITH §
- 5 2-1257 OF THE STATE GOVERNMENT ARTICLE, A REPORT ON THE ADMINISTRATION
- 6 AND OPERATION OF THIS TITLE DURING THE IMMEDIATELY PRECEDING MONTH.
- 7 (B) THE REPORT SHALL INCLUDE:
- 8 (1) A BALANCE SHEET FOR THE UNEMPLOYMENT INSURANCE FUND;
- 9 (2) THE NUMBER OF CLAIMS FOR BENEFITS FILED UNDER § 8–805(A)
- 10 OF THIS TITLE IN THE IMMEDIATELY PRECEDING MONTH;
- 11 (3) THE NUMBER OF CLAIMS PENDING ADJUDICATION AND THE
- 12 NUMBER OF CLAIMS PENDING ADJUDICATION THAT WERE RESOLVED SINCE THE
- 13 IMMEDIATELY PRECEDING MONTH;
- 14 (4) THE NUMBER OF FINAL DETERMINATIONS THAT WERE MADE
- 15 UNDER § 8–806 OF THIS TITLE IN THE IMMEDIATELY PRECEDING MONTH; AND
- 16 (5) THE NUMBER OF CLAIMS PROCESSED BY THE DEPARTMENT
- 17 DURING THE IMMEDIATELY PRECEDING MONTH.
- 18 **8–311.2.**
- 19 (A) (1) THE DEPARTMENT SHALL MONITOR THE UNEMPLOYMENT
- 20 INSURANCE FUND FOR A DISASTER.
- 21 (2) WHEN THE ASSISTANT SECRETARY OF THE DIVISION OF
- 22 Unemployment Insurance determines that there is a disaster, the
- 23 **DEPARTMENT SHALL:**
- 24 (I) INITIATE A DISASTER PLAN; AND
- 25 (II) COMPLY WITH THE REPORTING REQUIREMENTS
- 26 ESTABLISHED UNDER SUBSECTION (B) OF THIS SECTION.
- 27 (3) When a disaster no longer exists because an "off"
- 28 INDICATOR HAS BEEN TRIGGERED UNDER § 8–1103 OF THIS TITLE, THE ASSISTANT
- 29 SECRETARY OF THE DIVISION OF UNEMPLOYMENT INSURANCE SHALL ANNOUNCE
- 30 THAT THE DEPARTMENT IS NO LONGER REQUIRED TO ISSUE THE DISASTER REPORT
- 31 UNDER SUBSECTION (B) OF THIS SECTION.

| 1 | (B) (1) THE DEPARTMENT SHALL SUBMIT A DISASTER REPORT TO THE         |
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| 2 | PRESIDING OFFICERS, THE SENATE FINANCE COMMITTEE, AND THE HOUSE      |
| 3 | ECONOMIC MATTERS COMMITTEE, IN ACCORDANCE WITH § 2–1257 OF THE STATE |
| 4 | GOVERNMENT ARTICLE:  |

- 5 (I) WITHIN 7 DAYS AFTER THE DISASTER DETERMINATION; AND
- 6 (II) EVERY **30** DAYS THEREAFTER WHILE THE DISASTER IS 7 ONGOING.
- 8 (2) THE REPORT SHALL INCLUDE:
- 9 (I) THE UNEMPLOYMENT INSURANCE FUND BALANCE 10 IMMEDIATELY PRECEDING THE DISASTER DETERMINATION;
- 11 (II) THE CURRENT BALANCE OF THE UNEMPLOYMENT 12 INSURANCE FUND:
- 13 (III) THE DEPARTMENT'S ANTICIPATED OFFICE STAFFING 14 NEEDS OVER THE NEXT 30, 60, AND 90 DAYS;
- 15 (3) THE DEPARTMENT'S PLAN FOR NAVIGATING THE DISASTER; AND
- 16 (4) AN UPDATE ON FEDERAL FUNDING AND SUPPORT FOR THE 17 UNEMPLOYMENT INSURANCE FUND.
- 18 (C) DURING A DISASTER, THE DEPARTMENT SHALL:
- 19 (1) BE EXEMPT FROM REQUIREMENTS UNDER THE STATE FINANCE 20 AND PROCUREMENT ARTICLE FOR STAFFING; AND
- 21 (2) HIRE 100 ADDITIONAL FULL-TIME OR PART-TIME STAFF WHO ARE
  22 STATE EMPLOYEES OR CONTRACTUAL EMPLOYEES TO RESPOND TO ISSUES RAISED
  23 BY CLAIMANTS AND EMPLOYERS.
- 24 (D) DURING A DISASTER, THE ASSISTANT SECRETARY FOR THE DIVISION 25 OF UNEMPLOYMENT INSURANCE SHALL OVERSEE COMPLIANCE WITH THE 26 REQUIREMENTS OF THIS SECTION.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three–fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is

1 enacted.