

HOUSE BILL 1138

K2

EMERGENCY BILL

11r2104
CF SB 818

By: **Delegate Carey**

Introduced and read first time: February 5, 2021

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 2, 2021

CHAPTER _____

1 AN ACT concerning

2 **Unemployment Insurance – Maryland Department of Labor – Accountability**
3 **and Oversight**

4 FOR the purpose of requiring the Maryland Department of Labor to ~~submit a report post~~
5 on its website certain reports on the administration and operation of the State's
6 unemployment insurance laws ~~to certain persons on or before a certain day each~~
7 ~~month~~, at certain regular intervals; requiring the Department to retain certain
8 weekly reports on its website for at least a certain number of weeks; establishing
9 when a disaster exists for the purposes of certain provisions of this Act; requiring the
10 Department to monitor the Unemployment Insurance Fund for a disaster; requiring
11 the Department, when a certain determination is made, to initiate a certain plan and
12 to comply with certain reporting requirements; requiring that the disaster plan
13 remain in effect until the Department is able to process at least a certain percentage
14 of certain payments within a certain time period in accordance with certain
15 guidelines; requiring the Assistant Secretary for the Division of Unemployment
16 Insurance to announce certain information when ~~a~~ the disaster plan is no longer
17 ~~exists~~ in effect; requiring the Department to submit a certain disaster report to
18 certain persons within a certain time period and with certain frequency thereafter;
19 exempting the Department from certain requirements for hiring staff and requiring
20 the Department to hire certain staff during a disaster; requiring the Assistant
21 Secretary to oversee compliance with certain requirements during a disaster;
22 ~~defining a certain term~~; making this Act an emergency measure; and generally
23 relating to unemployment insurance.

24 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Labor and Employment
 2 Section 8–101(a), (e), (j), (m), (m–1), and (x) and 8–311
 3 Annotated Code of Maryland
 4 (2016 Replacement Volume and 2020 Supplement)

5 BY adding to
 6 Article – Labor and Employment
 7 Section ~~8–101(m–2)~~, 8–311.1, and 8–311.2
 8 Annotated Code of Maryland
 9 (2016 Replacement Volume and 2020 Supplement)

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

12 **Article – Labor and Employment**

13 8–101.

14 (a) In this title the following words have the meanings indicated.

15 (e) “Benefits” means the money that is payable under this title to an individual
 16 who is unemployed.

17 (j) “Claimant” means an individual who submits a claim for benefits.

18 (m) “Department” means the Maryland Department of Labor.

19 (m–1) “Determination” means a decision made by or on behalf of the Secretary under
 20 this title.

21 ~~(M–2) “DISASTER” MEANS AN INCIDENT OR OCCURRENCE FOR WHICH AN “ON”~~
 22 ~~INDICATOR UNDER § 8–1103 OF THIS TITLE TRIGGERS AN EXTENDED BENEFITS~~
 23 ~~PERIOD.~~

24 (x) “Secretary” means the Secretary of Labor.

25 8–311.

26 (a) On or before January 1 of each year, the Secretary shall submit to the
 27 Governor an annual report on the administration and operation of this title during the
 28 previous fiscal year.

29 (b) The annual report shall include:

30 (1) a balance sheet for the Unemployment Insurance Fund;

31 (2) a table that shows the amount of any benefit that was ineffectively

1 charged or not charged to the experience rating record of an employer;

2 (3) the reason for not charging the amount of any benefit to the experience
3 rating record of an employer;

4 (4) by category of disqualification, the amount of any benefit that was paid
5 after a disqualification under Subtitle 10 of this title; and

6 (5) any recommendation for an amendment to this title that the Secretary
7 considers proper.

8 **8-311.1.**

9 (A) ~~ON OR BEFORE THE FIRST DAY OF EACH MONTH, THE SECRETARY~~
10 ~~SHALL SUBMIT TO THE PRESIDING OFFICERS, THE SENATE FINANCE COMMITTEE,~~
11 ~~AND THE HOUSE ECONOMIC MATTERS COMMITTEE, IN ACCORDANCE WITH §~~
12 ~~2-1257 OF THE STATE GOVERNMENT ARTICLE, DEPARTMENT SHALL POST ON ITS~~
13 WEBSITE A REPORT ON THE ADMINISTRATION AND OPERATION OF THIS TITLE
14 DURING THE IMMEDIATELY PRECEDING MONTH.

15 (B) THE REPORT SHALL INCLUDE:

16 (1) A BALANCE SHEET FOR THE UNEMPLOYMENT INSURANCE FUND;

17 (2) THE NUMBER OF CLAIMS FOR BENEFITS FILED UNDER § 8-805(A)
18 OF THIS TITLE IN THE IMMEDIATELY PRECEDING MONTH;

19 (3) THE NUMBER OF CLAIMS PENDING ADJUDICATION AND THE
20 NUMBER OF CLAIMS PENDING ADJUDICATION THAT WERE RESOLVED SINCE THE
21 IMMEDIATELY PRECEDING MONTH;

22 (4) THE NUMBER OF FINAL DETERMINATIONS THAT WERE MADE
23 UNDER § 8-806 OF THIS TITLE IN THE IMMEDIATELY PRECEDING MONTH; AND

24 (5) THE NUMBER OF CLAIMS PROCESSED BY THE DEPARTMENT
25 DURING THE IMMEDIATELY PRECEDING MONTH.

26 (C) (1) ONCE PER WEEK, THE DEPARTMENT SHALL POST ON ITS WEBSITE
27 A WEEKLY REPORT THAT INCLUDES THE NUMBER OF:

28 (I) OPEN CLAIMS;

29 (II) CLAIMS PENDING ADJUDICATION;

30 (III) CLAIMS FOR WHICH THE FIRST PAYMENT HAS NOT BEEN

1 MADE WITHIN 21 DAYS AFTER THE WEEK ENDING DATE OF THE FIRST COMPENSABLE
 2 WEEK IN THE BENEFIT YEAR;

3 (IV) CLAIMS CLOSED;

4 (V) CLAIMS RESOLVED BY ADJUDICATION; AND

5 (VI) CLAIMS FOR WHICH THE CLAIMANT ENCOUNTERED
 6 TECHNOLOGICAL PROBLEMS WITH THE ONLINE PORTAL.

7 (2) THE DEPARTMENT SHALL RETAIN ON ITS WEBSITE THE WEEKLY
 8 REPORTS FOR AT LEAST THE IMMEDIATELY PRECEDING 8 WEEKS.

9 8-311.2.

10 (A) FOR THE PURPOSES OF THIS SECTION, A DISASTER EXISTS IF, FOR THE
 11 WEEK IN WHICH THE DETERMINATION IS BEING MADE AND THE 4 IMMEDIATELY
 12 PRECEDING WEEKS, THE RATE OF INSURED UNEMPLOYMENT, NOT SEASONALLY
 13 ADJUSTED, IS AT LEAST 6%.

14 (B) (1) THE DEPARTMENT SHALL MONITOR THE UNEMPLOYMENT
 15 INSURANCE FUND FOR A DISASTER.

16 (2) WHEN THE ASSISTANT SECRETARY OF THE DIVISION OF
 17 UNEMPLOYMENT INSURANCE DETERMINES THAT THERE IS A DISASTER, THE
 18 DEPARTMENT SHALL:

19 (I) INITIATE A DISASTER PLAN; AND

20 (II) COMPLY WITH THE REPORTING REQUIREMENTS
 21 ESTABLISHED UNDER SUBSECTION ~~(B)~~ (C) OF THIS SECTION.

22 (3) (I) THE DISASTER PLAN SHALL REMAIN IN EFFECT UNTIL THE
 23 DEPARTMENT IS PAYING AT LEAST 87% OF FIRST PAYMENTS WITHIN 21 DAYS AFTER
 24 THE WEEK ENDING DATE OF THE FIRST COMPENSABLE WEEK IN THE BENEFIT YEAR,
 25 IN ACCORDANCE WITH GUIDELINES PUBLISHED BY THE U.S. DEPARTMENT OF
 26 LABOR.

27 (II) WHEN ~~A~~ THE DISASTER PLAN IS NO LONGER ~~EXISTS~~
 28 ~~BECAUSE AN "OFF" INDICATOR HAS BEEN TRIGGERED UNDER § 8-1103 OF THIS~~
 29 ~~TITLE~~ IN EFFECT UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE ASSISTANT
 30 SECRETARY OF THE DIVISION OF UNEMPLOYMENT INSURANCE SHALL ANNOUNCE
 31 THAT THE DEPARTMENT IS NO LONGER REQUIRED TO ISSUE THE DISASTER REPORT
 32 UNDER SUBSECTION ~~(B)~~ (C) OF THIS SECTION.

1 ~~(B)~~ (C) (1) THE DEPARTMENT SHALL SUBMIT A DISASTER REPORT TO THE
 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~~
 16 MEETING STAFFING NEEDS; AND

17 (4) AN UPDATE ON FEDERAL FUNDING AND SUPPORT FOR THE
 18 UNEMPLOYMENT INSURANCE FUND.

19 ~~(C)~~ (D) DURING A DISASTER, THE DEPARTMENT SHALL:

20 (1) BE EXEMPT FROM REQUIREMENTS UNDER THE STATE FINANCE
 21 AND PROCUREMENT ARTICLE FOR STAFFING; AND

22 (2) HIRE ~~100~~ ADDITIONAL FULL-TIME OR PART-TIME STAFF WHO ARE
 23 STATE EMPLOYEES ~~OR~~, CONTRACTUAL EMPLOYEES, OR INDIVIDUALS UNDER
 24 CONTRACT WITH A THIRD-PARTY VENDOR AS NEEDED TO MEET STAFFING NEEDS
 25 AND TO RESPOND TO ISSUES RAISED BY CLAIMANTS AND EMPLOYERS.

26 ~~(D)~~ (E) DURING A DISASTER, THE ASSISTANT SECRETARY FOR THE DIVISION
 27 OF UNEMPLOYMENT INSURANCE SHALL OVERSEE COMPLIANCE WITH THE
 28 REQUIREMENTS OF THIS SECTION.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
 30 measure, is necessary for the immediate preservation of the public health or safety, has
 31 been passed by a yea and nay vote supported by three-fifths of all the members elected to

1 each of the two Houses of the General Assembly, and shall take effect from the date it is
2 enacted.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.