SENATE BILL 790

K2   EMERGENCY BILL   1lr1960

By: **Senator Kagan**
Introduced and read first time: February 9, 2021
Assigned to: Finance

A BILL ENTITLED

1   AN ACT concerning

2   **Unemployment Insurance – Reimbursing Employers – Deferral of Payment**
3   **During a State of Emergency for COVID–19**

4   FOR the purpose of extending, under certain circumstances, the time in which a certain
5   bill must be paid by a nonprofit organization or a governmental entity that has made
6   a certain election to reimburse the Unemployment Insurance Fund for benefits paid;
7   providing for the construction of this Act; making this Act an emergency measure;
8   providing for the termination of this Act; and generally relating to repayment of
9   unemployment insurance benefits by reimbursing employers.

10 BY repealing and reenacting, without amendments,
11   Article – Labor and Employment
12   Section 8–601(a), (b), and (d) and 8–620(c)
13   Annotated Code of Maryland
14   (2016 Replacement Volume and 2020 Supplement)

15 BY repealing and reenacting, with amendments,
16   Article – Labor and Employment
17   Section 8–620(a)
18   Annotated Code of Maryland
19   (2016 Replacement Volume and 2020 Supplement)

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

Article – Labor and Employment

23 8–601.

24   (a)   In this subtitle the following words have the meanings indicated.

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
          [Brackets] indicate matter deleted from existing law.

1   (b)   "Election" means an election to make reimbursement payments instead of
2 paying contributions in accordance with Part III of this subtitle.

3   (d)   "Reimbursement payment" means a payment that an employing unit makes
4 under an election to reimburse the Unemployment Insurance Fund for benefits paid.

5 8–620.

6   (a)   (1)   Reimbursement payments shall be made in accordance with this
7 section.

8   (2)   Unless there is an application for review and redetermination of a bill
9 under § 8–621 of this subtitle, a nonprofit organization or governmental entity shall pay
10 the bill under this section **[**within 30 days**]:**

11   **(I)   WITHIN 30 DAYS** after the Secretary mailed the bill to the last
12 known address of the nonprofit organization or governmental entity or otherwise delivered
13 the bill to it**; OR**

14   **(II)   WITHIN 1 YEAR AFTER THE DATE ON WHICH THE STATE OF
15 EMERGENCY DECLARED BY THE GOVERNOR DUE TO THE COVID–19 PANDEMIC
16 ENDS UNDER TITLE 14 OF THE PUBLIC SAFETY ARTICLE, IF, FOR THE PERIOD
17 COVERED BY THE BILL:**

18   **1.   THE STATE OF EMERGENCY WAS DECLARED BY THE
19 GOVERNOR DUE TO THE COVID–19 PANDEMIC; AND**

20   **2.   THE NONPROFIT ORGANIZATION OR GOVERNMENTAL
21 ENTITY PAID REGULAR, WORK SHARING, OR EXTENDED BENEFITS**.

22   (c)   Except as provided in subsection (d) of this section, at the end of each calendar
23 quarter or any other period set by the Secretary, the Secretary shall send:

24   (1)   to each nonprofit organization that has made an election or if the
25 Secretary has approved a group account under § 8–619 of this subtitle, to the group
26 representative, a bill for all regular and work sharing benefits, and 50% of extended
27 benefits paid during that period that are attributable to covered employment for that
28 nonprofit organization; and

29   (2)   to each governmental entity that has made an election, a bill for all
30 regular, work sharing, and extended benefits paid during that period that are attributable
31 to covered employment for that governmental entity.

32   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
33 apply only prospectively and may not be applied or interpreted to have any effect on or
34 application to any bill, in accordance with § 8–620 of the Labor and Employment Article,

1 sent by the Secretary to a nonprofit organization or governmental entity before the effective
2 date of this Act.

3   SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
4 measure, is necessary for the immediate preservation of the public health or safety, has
5 been passed by a yea and nay vote supported by three–fifths of all the members elected to
6 each of the two Houses of the General Assembly, and shall take effect from the date it is
7 enacted. It shall remain effective until the date that is 1 year from the date on which the
8 state of emergency declared by the Governor due to the COVID–19 pandemic ends under
9 Title 14 of the Public Safety Article and, at the end of that period, this Act, with no further
10 action required by the General Assembly, shall be abrogated and of no further force and
11 effect.