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2lr2579 CF HB 253

# By: **Senator Klausmeier** Introduced and read first time: February 4, 2022 Assigned to: Finance

# A BILL ENTITLED

# 1 AN ACT concerning

# 2 Unemployment Insurance – Federal Extended Benefits for Long–Term 3 Unemployment

FOR the purpose of altering the period that constitutes an extended benefit period and
when a State "on" indicator exists; specifying the total amount of certain extended
unemployment benefits that are payable to an eligible individual; authorizing the
Secretary of Labor, if authorized by federal law, to suspend the payment of certain
extended unemployment benefits; establishing that federal unemployment law
provisions and definitions related to extended benefits apply to a certain extent; and
generally relating to unemployment insurance benefits.

- 11 BY repealing and reenacting, with amendments,
- 12 Article Labor and Employment
- 13 Section 8–1103 and 8–1105
- 14 Annotated Code of Maryland
- 15 (2016 Replacement Volume and 2021 Supplement)
- 16 BY adding to
- 17 Article Labor and Employment
- 18 Section 8–1109 and 8–1110
- 19 Annotated Code of Maryland
- 20 (2016 Replacement Volume and 2021 Supplement)
- 21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 22 That the Laws of Maryland read as follows:
- 23

# Article - Labor and Employment

24 8–1103.

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



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#### **SENATE BILL 655**

1 (a) (1) An extended benefit period is a period that:

2 [(1)] (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS 3 SUBSECTION, begins with the 3rd week after the 1st week for which there is a State "on" 4 indicator but not earlier than the 14th week after the end of another extended benefit 5 period; and

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- [(2)] (II) ends with the later of:

7 [(i)] **1.** the 3rd week after the 1st week for which there is a State 8 "off" indicator; or

9 [(ii)] 2. the 13th consecutive week of the period.

10 (2) THE REQUIREMENT DESCRIBED UNDER PARAGRAPH (1)(I) OF 11 THIS SUBSECTION DOES NOT APPLY FOR WEEKS OF UNEMPLOYMENT BEGINNING 12 AFTER JUNE 1, 2022, FOR WHICH:

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(I) **100%** FEDERAL SHARING IS AVAILABLE; AND

14(II) WAIVER OF THE REQUIREMENT IS AUTHORIZED UNDER15FEDERAL LAW.

16 (b) (1) A State "on" indicator for a week exists whenever, for that week and the 17 12 immediately preceding weeks, the rate of insured unemployment, not seasonally 18 adjusted, is at least:

19 (i) 5%; and

(ii) 120% of the average of the rates for the corresponding 13-week
period ending in each of the 2 preceding calendar years.

(2) After a State "on" indicator occurs under this subsection, a State "off"
indicator for a week exists whenever, for that week and the 12 immediately preceding
weeks, the rate of insured unemployment, not seasonally adjusted, is less than:

25 (i) 5%; or

(ii) 120% of the average of the rates for the corresponding 13-week
period ending in each of the 2 preceding calendar years.

28 (c) (1) A State "on" indicator exists for a week whenever, for that week and the 29 12 immediately preceding weeks, the rate of insured unemployment, not seasonally 30 adjusted, is at least 6%.

1 (2) After a State "on" indicator occurs under this subsection, a State "off" 2 indicator exists for a week whenever, for that week and the 12 immediately preceding 3 weeks, the rate of insured unemployment, not seasonally adjusted, was less than 6%.

4 (d) A State "on" indicator under subsection (b) or (c) of this section takes 5 precedence over a State "off" indicator under subsection (c) or (b) of this section, 6 respectively.

7 (e) (1) To compute the rate of insured unemployment under subsections (b) 8 and (c) of this section, the Secretary shall:

9 (i) determine the average weekly number of individuals submitting 10 claims for regular benefits in the State for weeks of unemployment during the most recent 11 13 consecutive weeks based on reports of the Secretary to the United States Secretary of 12 Labor; and

(ii) divide that number by the average monthly number of employees
engaged in covered employment for the 1st 4 of the 6 completed calendar quarters ending
immediately before the 13 weeks.

16 (2) The Secretary shall make each computation under this subsection in 17 accordance with regulations of the United States Secretary of Labor.

18 (F) (1) THIS SUBSECTION APPLIES ONLY TO ANY WEEKS OF 19 UNEMPLOYMENT:

20 (I) BEGINNING AFTER JUNE 1, 2022, FOR WHICH 100% 21 FEDERAL SHARING IS AVAILABLE; AND

(II) ENDING 4 WEEKS BEFORE THE LAST WEEK FOR WHICH 100%
 FEDERAL SHARING IS AVAILABLE.

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(2) A STATE "ON" INDICATOR FOR A WEEK EXISTS IF:

25**(I)** THE AVERAGE RATE OF TOTAL UNEMPLOYMENT, SEASONALLY ADJUSTED, AS DETERMINED BY THE UNITED STATES SECRETARY OF 2627LABOR, FOR THE PERIOD CONSISTING OF THE MOST RECENT 3 MONTHS FOR WHICH 28DATA FOR ALL STATES ARE PUBLISHED BEFORE THE CLOSE OF THE WEEK IS AT 29LEAST 6.5%; AND

30(II) THE AVERAGE RATE OF TOTAL UNEMPLOYMENT IN THE31STATE, SEASONALLY ADJUSTED, AS DETERMINED BY THE UNITED STATES32SECRETARY OF LABOR, FOR THE 3-MONTH PERIOD DESCRIBED IN ITEM (I) OF THIS33PARAGRAPH IS AT LEAST 110% OF THAT AVERAGE FOR EITHER OR BOTH OF THE

1 CORRESPONDING 3-MONTH PERIODS ENDING IN THE 2 PRECEDING CALENDAR 2 YEARS.

3 (3) AFTER A STATE "ON" INDICATOR OCCURS UNDER PARAGRAPH (2)
4 OF THIS SUBSECTION, A STATE "OFF" INDICATOR FOR A WEEK EXISTS WHENEVER,
5 FOR THAT WEEK AND THE 12 IMMEDIATELY PRECEDING WEEKS, NONE OF THE
6 CIRCUMSTANCES DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION ARE MET.

7 (4) EXTENDED BENEFITS MAY NOT BE PAYABLE BASED ON A STATE 8 "ON" TRIGGER UNDER THIS SUBSECTION FOR ANY WEEK OF UNEMPLOYMENT 9 BEGINNING BEFORE JUNE 1, 2022.

10 [(f)] (G) The Secretary shall make an appropriate public announcement 11 whenever an "on" indicator exists that begins or an "off" indicator exists that ends an 12 extended benefit period.

13 8–1105.

14 (a) [The] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE 15 weekly amount of extended benefits payable for a week of total unemployment during an 16 individual's eligibility period is equal to the amount of regular benefits, including 17 allowances for dependents, payable to the individual for a week of total unemployment 18 during the applicable benefit year.

19 (b) The total amount of extended benefits payable to an eligible individual for the 20 applicable benefit year of the individual may not be less than the lesser of:

(1) 50% of the total amount of regular benefits, including allowances for
 dependents, payable to the individual during that benefit year;

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(2) 13 times the average weekly benefit amount of the individual; or

(3) 39 times the average weekly benefit amount of the individual, reduced
by the amount of regular benefits paid or deemed paid to the individual during that benefit
year.

(c) If the benefit year of an individual ends during an extended benefit period, the
balance of extended benefits to which the individual is entitled for weeks of unemployment
beginning after the benefit year shall be reduced, but not below zero, by an amount
computed by:

(1) determining the number of weeks for which the individual received any
 amounts as trade readjustment allowances under the federal Trade Act of 1974 within that
 benefit year; and

1 multiplying the number determined under item (1) of this subsection (2) $\mathbf{2}$ by the weekly amount of extended benefits of the individual. 3 (d) An individual who otherwise is eligible to receive benefits may not be denied regular benefits or extended benefits for any week because the individual: 4  $\mathbf{5}$ (1)is in a training program that the United States Secretary of Labor 6 approves under 19 U.S.C. § 2296(a)(1); or 7 leaves work that is not suitable to enter a training program that the (2)United States Secretary of Labor approves under 19 U.S.C. § 2296(a)(1) because: 8 9 the work was not of substantially equal or a higher skill level (i) than the past adversely affected employment of the individual as defined under 19 U.S.C. 10 § 2296(f); and 11 12(ii) the wages for the work were less than 80% of the average weekly wage of the individual as determined under 19 U.S.C. § 2296(e). 1314IN THIS SUBSECTION, "HIGH UNEMPLOYMENT PERIOD" MEANS **(E)** (1) 15**ANY PERIOD DURING WHICH:** 16 **(I)** AN EXTENDED BENEFIT PERIOD WOULD BE IN EFFECT UNDER § 8–1103(F) OF THIS SUBTITLE; AND 1718 **(II)** THE AVERAGE RATE OF TOTAL UNEMPLOYMENT, 19 SEASONALLY ADJUSTED, AS DETERMINED BY THE UNITED STATES SECRETARY OF LABOR, FOR THE PERIOD CONSISTING OF THE MOST RECENT 3 MONTHS FOR WHICH 20DATA FOR ALL STATES ARE PUBLISHED BEFORE THE CLOSE OF THAT WEEK IS AT 21LEAST 8%. 2223(2) THIS SUBSECTION APPLIES ONLY TO WEEKS OF UNEMPLOYMENT 24IN A HIGH UNEMPLOYMENT PERIOD. 25THE TOTAL AMOUNT OF EXTENDED BENEFITS PAYABLE TO AN (3) 26ELIGIBLE INDIVIDUAL FOR THE APPLICABLE BENEFIT YEAR OF THE INDIVIDUAL 27MAY NOT BE LESS THAN THE LESSER OF: 28**(I)** 80% OF THE TOTAL AMOUNT OF REGULAR BENEFITS, 29INCLUDING ALLOWANCES FOR DEPENDENTS, PAYABLE TO THE INDIVIDUAL DURING 30 THE BENEFIT YEAR; 31**20** TIMES THE AVERAGE WEEKLY BENEFIT AMOUNT OF THE **(II)** 32INDIVIDUAL, INCLUDING ALLOWANCES FOR DEPENDENTS; OR

1 (III) 46 TIMES THE AVERAGE WEEKLY EXTENDED BENEFIT 2 AMOUNT, REDUCED BY THE REGULAR BENEFITS, NOT INCLUDING DEPENDENTS' 3 ALLOWANCES, PAID OR DEEMED PAID TO THE INDIVIDUAL DURING THAT BENEFIT 4 YEAR.

5 **8–1109.** 

6 NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, THE 7 SECRETARY, IF AUTHORIZED BY FEDERAL LAW, MAY SUSPEND THE PAYMENT OF 8 EXTENDED BENEFITS UNDER § 8–1105(E) OF THIS SUBTITLE, TO THE EXTENT 9 NECESSARY TO ENSURE THAT:

10 (1) OTHERWISE ELIGIBLE INDIVIDUALS ARE NOT DENIED, IN WHOLE 11 OR IN PART, THE RECEIPT OF EMERGENCY UNEMPLOYMENT COMPENSATION 12 AUTHORIZED UNDER FEDERAL LAW; AND

13(2) THE STATE RECEIVES MAXIMUM REIMBURSEMENT FROM THE14FEDERAL GOVERNMENT FOR THE PAYMENT OF THE EMERGENCY BENEFITS.

15 **8–1110.** 

16 TO THE EXTENT THAT PROVISIONS AND DEFINITIONS OF FEDERAL 17 UNEMPLOYMENT LAW ARE IN CONFLICT WITH, OR SUPPLEMENT THE PROVISIONS 18 AND DEFINITIONS IN THIS SUBTITLE, THE PROVISIONS AND DEFINITIONS OF 19 FEDERAL UNEMPLOYMENT LAW SHALL APPLY.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 21 1, 2022.

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