



Maryland Chamber of Commerce

Legislative Position

**SB 270
FAVOR
Finance
Committee
02/17/09**

SB 270

Unemployment Insurance - Eligibility - Part-Time Work

Brief Summary of Bill:

SB 270 authorizes that an individual who is only able to work part-time be deemed eligible for unemployment benefits if he or she is actively seeking part-time work.

Maryland Chamber's Position:

The issue of part-time worker eligibility for unemployment insurance can be complex, and has strong opinions on all sides. In the past few years, the Maryland Chamber has considered all of these sides, and has concluded that SB 270 can actually serve the economy, by putting money back into the economy.

SB 270 establishes a separate category of worker. Therefore, an individual who has a history of only part-time work, works in an industry that primarily only hires part-time employees, and is currently working part-time is not "unemployed" and thus not eligible for benefits.

Current law, which dates back to the 1930s and 40s considers employment/unemployment as a bipolar condition: a worker is either FULLY employed or FULLY unemployed. In fact, the first criteria to collecting UI benefits is the issue: Is the worker FULLY unemployed or if not, does the worker perform "...less than full-time work for which wages are less than the weekly benefit amount that would be assigned to the individual [if fully unemployed]."

Thus, under current law a worker is either FULLY employed or FULLY unemployed. A worker who is not FULLY unemployed may not collect benefits except to the extent that the worker may collect "partial benefits" for less than full-time work.

SB 270 in effect recognizes the specific category: "part-time" worker and places the same qualification requirement on the part-time worker that is placed on "full-time" worker. Is the worker unemployed? If yes, and the worker has filed a valid claim; is monetarily eligible; is able, available, and actively seeking part-time work; and has been separated for a non-disqualifying reason, the worker would be eligible to collect benefit. If the part-time worker is not unemployed because the worker is working all hours for which the part-time worker is available, then the worker would not be eligible for benefits.

For these reasons, the Maryland Chamber respectfully requests that the Committee give SB 270 a favorable report.

If questions please contact Allyson Black, ablack@mdchamber.org