



February 15, 2017

The Honorable Dereck E. Davis
Economic Matters Committee
Room 231, House Office Building
Annapolis, MD 21401

RE: HB 141 – Unemployment Insurance - Eligibility for Benefits - Business Operation Closings – **Oppose**

Dear Delegate Davis:

House Bill 141 authorizes the Secretary of Labor, Licensing and Regulation to exempt employees of an employer that closes its business operation or part of its business operation for a definite period not exceeding 10 weeks for inventory, vacation, or another purpose from the requirement to actively seek work during that period to be eligible to receive unemployment insurance benefits. It also provides that a specified exemption may be granted only with respect to a specific business operation closing.

Funding for this program is provided by employers through Unemployment Insurance (UI) taxes paid to both Federal and State governments for deposit in their UI trust funds. State laws should conform to broad Federal guidelines, providing temporary partial wage replacement benefits to individuals who are unemployed through no fault of their own and who are willing and able to work and actively seeking employment. The UI fund taxes are based on a company's experience rating, and their assessment increases as the payout for benefits increases. This will add an increased burden to businesses, especially small businesses, which is not conducive to holding Maryland as a business friendly state.

The Carroll County Chamber of Commerce, a business advocacy organization of over 560 members, opposes this bill and asks that you give it a unfavorable report

Sincerely,

A handwritten signature in black ink that reads 'Mike McMullin'.

Mike McMullin
President
Carroll County Chamber of Commerce

CC: Delegate Susan W. Krebs
Senator Justin Ready

**Carroll County Chamber of Commerce • 9 East Main Street • Westminster, MD 21157
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