

CHAPTER 380

(Senate Bill 893)

AN ACT concerning

Unemployment Insurance - Severance Payments

FOR the purpose of providing that severance payments paid to an individual due to job abolishment for any reason will not be deductible from an individual's unemployment insurance benefits; and providing that this Act shall apply to claims filed on or after a certain date.

BY repealing and reenacting, with amendments,

Article 95A - Unemployment Insurance Law
Section 6(h)
Annotated Code of Maryland
(1985 Replacement Volume)

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

Article 95A - Unemployment Insurance Law

6.

An individual shall be disqualified for benefits:

(h) For any week with respect to which he is receiving, has received, or has filed, or is eligible to file a claim for remuneration in an amount equal to or in excess of his weekly benefit amount in the form of dismissal payment or wages in lieu of notice whether legally required or not, such payments to be allocated to a number of weeks following separation from employment equal to the number of weeks' pay received.

Provided, that if such remuneration is less than his weekly benefit amount, an otherwise eligible individual shall not be deemed ineligible and shall be entitled to receive for such week benefits reduced by the amount of such payments.

Provided further, there shall be no disqualification under this section if the claimant's unemployment is due to the abolition of his job [either for technological reasons or because the employer has permanently discontinued the operation of the plant, division, department or section thereof in which the claimant was last employed].

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to individuals who file a claim establishing a new benefit year on or after June 30, 1986.