

May 26, 1992

The Honorable R. Clayton Mitchell, Jr.
Speaker of the House of Delegates
State House
Annapolis, Maryland 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1527.

House Bill 1527 provides that individuals who drive school buses for independent contractors, such as private school bus drivers, will be denied unemployment insurance benefits during holiday recesses if they have a reasonable assurance of returning to their jobs after the holiday. In effect, the bill denies benefits during Christmas vacation and during spring break, periods during which these workers are not normally paid for vacation. Currently these workers are not denied benefits.

I am vetoing this bill because it treats one category of employees of private companies differently from other categories of employees of private companies. Other contractual employees, such as cafeteria workers, janitors, or security guards, will continue to be eligible for benefits, provided they are not receiving vacation and holiday pay in excess of their weekly unemployment insurance benefits. There was no compelling reason presented for excluding this one group of workers from coverage. The impact on the Unemployment Insurance Trust Fund resulting from these workers who receive benefits does not merit their exclusion.

Under Maryland unemployment insurance law, benefits are denied to nonprofessional employees, such as school bus drivers, who are employees of educational institutions or who are employed by governmental entities or not for profit organizations on behalf of educational institutions. However, I have been informed by the Department of Economic and Employment Development that the vacation and holiday recesses are traditionally paid vacations for these employees, provided they are noncontractual employees. That is typically not the case for a school bus driver employed by an independent contractor. Furthermore, this denial of benefits to public employees was to conform Maryland law to federal law, which has since been amended to allow the states to provide benefits to nonprofessional public employees. I have been informed that one of the standing committees of the General Assembly has referred this issue to interim study in view of the changes to federal law. If that is the case, it may be premature to address the issue of whether to provide benefits to nonprofessional employees of independent contractors if the issue of whether to provide benefits to comparable public employees will be revisited.

For these reasons, I have vetoed House Bill 1527.

Sincerely,
William Donald Schaefer
Governor