



Testimony offered on behalf of:
THE GARRETT COUNTY CHAMBER OF COMMERCE

FAVORABLE:
SB 771 – Unemployment Insurance - Work Sharing (Work Share Expansion Act of 2021)

Finance Committee
March 2, 2021

On behalf of the Garrett County Chamber of Commerce, representing 600 member organizations in Western Maryland, I write to express our support for **SB 771 – Unemployment Insurance - Work Sharing (Work Share Expansion Act of 2021)**.

Throughout the pandemic, the use of the Work Share program was a safety net for many businesses and saved lots of jobs of Marylanders. It also reduced the strain on the overburdened unemployment insurance fund. Expanding this program will continue to provide much needed assistance to employers and protect hundreds of jobs.

Due to severe losses in revenue caused by the pandemic, businesses had lay off employees. However, by utilizing the Work Share program businesses were able to retain employees through partial lay-offs. Employers who participate in Work Sharing can retain employees by temporarily reducing the hours of work, among employees within the affected unit(s). The employees with reduced work hours receive partial unemployment insurance benefits to supplement lost wages.

Currently, the law requires the temporary reduction of hours worked to be in the range of 20% to 50%. This bill would amend the reduction requirement of hours worked to 10%-60%. This would allow more businesses to take advantage of the program and would save even more jobs.

The benefits to employers include:

- Maintain productivity and quality service
- Retain experienced employees
- Keep employee morale high
- Flexibility to utilize Work Sharing for the entire business or just select unit(s)
- Maintain full staff for future business growth when economic conditions return
- Save the expense and time of recruiting, hiring, and training new employees
- Gradually reopen business operations by rehiring former employees at reduced hours





The benefits to employees include:

- Keep current job
- Continue to earn wages from the employer for hours worked
- Receive prorated unemployment insurance benefits to supplement lost wages*
- Health and retirement benefits will not be reduced or eliminated, unless they are reduced or eliminated for the entire workforce
- Not required to meet the same terms as those on regular unemployment insurance, such as actively searching for work or accepting offers of suitable work other than from the Work Sharing employer

Please help Marylanders help businesses through crisis and protect jobs by giving **SB 771 a FAVORABLE REPORT.**

Sincerely,

Nicole Christian, CCE, IOM

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President & CEO

Garrett County Chamber of Commerce, Inc.

(301) 387-8745 office

(301) 616-0396 mobile

www.visitdeepcreek.com

nicole@garrettchamber.com



nicole@garrettchamber.com