

Actively Seeking Work Requirements

Comparison of Maryland's Active Search for Work Requirements With Other States and the Effect of "Ghosting"

Submitted To:
The Maryland General Assembly

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Background

On April 25, 2024, Governor Moore signed House Bill 998 (HB 998), titled Study on Actively Seeking Work Requirements.

The study mandates that the Maryland Department of Labor (“MD Labor”) investigate the actively seeking work requirements in other states to identify differences between those states’ requirements and Maryland’s and determine how other states verify that claimants meet these requirements to remain eligible for unemployment insurance benefits.

Additionally, the study requires MD Labor to assess whether using current resources, it can periodically verify the information submitted by claimants to meet the actively seeking work requirement. MD Labor must also evaluate and explain why the BEACON online system for claimants and employers does not, or cannot, allow employers to input information regarding a claimant’s compliance with the actively seeking work requirement, including confirming that a claimant contacted an employer for work and reporting instances of ghosting.

Furthermore, the study calls for MD Labor to assess whether it is feasible to remove the requirement for employers to input specific information, such as a claimant’s Social Security number, into the BEACON system when reporting ghosting incidents.

Lastly, MD Labor must examine any other factors relevant to reporting ghosting or verifying a claimant’s compliance with the actively seeking work requirement.

Executive Summary

Purpose of the Study

This study examines the requirements for unemployment insurance (UI) claimants in Maryland to actively seek work, as mandated by state and federal laws. It evaluates Maryland's current policies, compares them with approaches in other states, evaluates the effect of “ghosting” on Maryland’s active search for work requirements, and provides recommendations to enhance compliance and efficiency in verifying work search activities.

Key Findings

1. **Federal and State Mandates:** Federal law requires UI claimants to actively seek work, but it allows states discretion in defining specific work search requirements. Maryland mandates at least three reemployment activities weekly, with one being a direct job contact.
2. **Verification Challenges:** Over half of MD Labor’s inquiries regarding claimants' work search activities go unverified by the employer, limiting the effectiveness of verification efforts. According to an audit of 690 work search activities conducted by the Benefit Accuracy Measurement (BAM) unit between January 1, 2024 - September 22, 2024, nearly 60% could not be verified primarily because the employer did not respond to MD Labor’s inquiry or was unable to confirm the activity for various reasons, such as receiving a high volume of applications for a specific position, an in-person activity was conducted which did not result in the creation of documentation, or poor record-keeping practices.
3. **Comparison with Other States:** Maryland’s work search requirements and verification mechanisms align with other states, including those located in the Mid-Atlantic region.
4. **Technological Gaps:** While Maryland’s BEACON system lacks functionality for employers to report incidents of claimants’ interview “ghosting,” employers can still report such activities to MD Labor through other channels.

Policy Considerations

- **Employer Participation:** Increased employer engagement is critical to verifying claimants' work search activities and ensuring compliance with Maryland’s active search for work requirement.

- **Resource Allocation:** Implementing additional verification processes or system functionalities would require significant time and resources and potentially increase MD Labor’s workload.

Recommendation: Enhance Employer & UI Engagement

- Improve employer outreach and communications to encourage employers to report suspicious “ghosting” activities to MD Labor.
- Collaborate with employers to address their reluctance to participate in verification efforts that ensure claimant privacy and legal safeguards.
- Provide easily accessible reporting capabilities on MD Labor’s website to enable employers to report claimants’ interview “ghosting.”

UI Federal Mandates

Generally, to be eligible for UI benefits, an individual must be able to work, available for work, and actively seeking work. Section 303(a)(12) of the Social Security Act (SSA) mandates that applicants must actively seek work as a condition of eligibility for UI benefits for any given week. States are instructed to maintain this requirement in their laws, and all states currently require claimants to search for work to qualify for UI. Additionally, states are required to establish rules, regulations, and procedures to ensure substantial compliance with this requirement. (*See* §§ 3304(a)(8) and 3306(v)(5) of the Federal Unemployment Tax Act (FUTA)).

Since federal UI law does not explicitly define "actively seeking work," states have some flexibility in establishing a reasonable definition. However, states are expected to ensure that UI beneficiaries make deliberate and effective efforts to find a suitable job as quickly as possible. For instance, states may require individuals to conduct a job search that aligns with the type of work suitable for their skills and experience. Any state-imposed requirements regarding the type or number of work search activities must be directly aimed at helping claimants secure employment swiftly. For example, states may consider an individual on temporary layoff with a verified recall date to meet the active work search requirement by staying in contact with and remaining available to their current employer.

Maryland's Active Search for Work Requirements

Maryland adheres to federal UI laws and regulations, requiring claimants to "actively seek work" to maintain eligibility for UI benefits. Pursuant to MD Code Ann., L&E, § 8-903(a)(2), when determining whether a claimant is actively seeking work, the Division of Unemployment Insurance (DUI) must evaluate whether the claimant's efforts are reasonable and reflect the actions of someone genuinely seeking employment, considering the labor market conditions in the area where the claimant is looking for work. The Code of Maryland Regulations (COMAR) does not provide a specific definition or further detail on what constitutes a reasonable work search in Maryland.

MD Labor relies on policy informed by the UI Board of Appeals precedent to further evaluate and define claimants' reasonable searches for work. Currently, MD Labor mandates that non-exempt UI claimants complete three reemployment activities per benefit week, with at least one being a job contact, to satisfy the active search for work requirement and maintain eligibility. Reemployment activities are specific actions taken by an individual to enhance their job search efforts and improve their chances of securing employment. Examples of valid reemployment activities include attending work-related workshops/training, attending job fairs, or utilizing

resources provided by local American Job Centers. Job contacts include submitting a job application, making contact with a potential employer, or attending a job interview.

All non-exempt UI claimants are required to participate in one of two programs administered by MD Labor’s Division of Workforce Development and Adult Learning (DWDAL): the federally funded Reemployment Services and Eligibility Assessment (RESEA) program or Maryland’s Reemployment Opportunity Workshop (ROW) program. Completion of a RESEA or ROW workshop is counted as one valid reemployment activity for the week in which it is completed. These initiatives are designed to assist individuals receiving UI benefits in returning to work more quickly by offering personalized reemployment resources, services, and guidance.

The Reemployment Services and Eligibility Assessment (RESEA) Program

The RESEA Program targets UI claimants who are most likely to exhaust their benefits without finding new employment. RESEA services include:

- One-on-one meetings with a reemployment specialist who will assess the claimant’s eligibility for UI benefits and assist them with job search strategies. This includes reviewing the claimant's ongoing eligibility for UI benefits.
- Continuing personalized reemployment services will be offered, including career counseling to identify job opportunities based on the claimant's skills and experience. The program will also provide job search assistance, encompassing resume writing, interview preparation, and networking. Additionally, referrals to other education and training programs may be made to enhance the claimant’s chances of reemployment success.
- A personalized plan will be created, outlining the steps the claimant will take to become reemployed. This plan is known as the Individual Reemployment Plan (IRP) and includes job search strategies, skills assessments, training opportunities, and workshops.

The RESEA specialists will continue to meet with claimants to review their ongoing eligibility for UI benefits. To maintain their eligibility, claimants must comply with the state's work search requirements and follow all RESEA guidelines to remain eligible for UI benefits. Missing or failing to attend RESEA appointments without a valid reason may result in the suspension or denial of UI benefits.

The RESEA program is a key re-employment support strategy. By integrating reemployment services with UI claims, Maryland’s RESEA program aims to reduce the time individuals spend on unemployment benefits and accelerate their return to the workforce.

The Reemployment Opportunity Workshop (ROW) Program

Maryland's ROW program targets individuals receiving UI benefits who are least likely to exhaust their benefits due to factors such as prior experience in high-demand occupations (i.e., cashiers, warehouse workers, etc.). It emphasizes reemployment services and connects claimants with resources that enhance their job search efforts.

The program includes mandatory workshops that cover resume writing, job search techniques, and interview skills. These workshops are designed to help provide claimants with the necessary tools to secure employment. Participants also have access to reemployment services such as career counseling, job matching assistance, and labor market information through Maryland Workforce Exchange (MWE) platform.

UI claimants are required to participate in the ROW program if selected. Failure to attend or comply with the requirements may affect their eligibility for continued UI benefits. This ensures that claimants actively engage in activities aimed at reentering the workforce. Participation in ROW workshops is recorded in the MWE and reported to DUI. Claimants participating in the ROW program are still required to fulfill Maryland's active job search requirements. This collaboration ensures that participants in the ROW program receive tailored support and stay on track for re-employment.

Overall, Maryland's ROW program is a crucial part of the unemployment insurance system, helping claimants transition from receiving unemployment benefits to securing new employment. By emphasizing reemployment activities, the program supports the broader goal of minimizing the duration of unemployment.

Other States' Active Search for Work Requirements

Like Maryland, all states are mandated by federal law to require UI claimants to actively seek work to remain eligible for benefits. Some states have clearly defined the specific requirements for meeting these active work search obligations. Others, like Maryland, rely on policy interpretations or case law precedents to determine compliance. There are a few states that do not outline the criteria in their laws, regulations, or internal policy; claimants are not given a specific number of required activities to maintain eligibility, or they are expected to conduct work search activities based on a reasonable person standard. States where a fixed number of job contacts are not specified generally require claimants to complete at least one job search activity per week. Other states may consider factors such as the claimant's skill set, education level, and prior experience to evaluate whether they have made a genuine effort to meet the active search for work requirement.

Various categories have been established to address the different ways in which a state enforces its active job search requirements: unspecified standard, unspecified reasonable person standard, quality over quantity, policy, and statute or regulation. Below is a discussion of various state approaches to this issue.

Unspecified Standard

California

Claimants filing in California must actively search for suitable work pursuant to 22 CCR § 1253(e), following reasonable instructions from a public employment office. Claimants must apply for jobs, attend interviews, and take steps to demonstrate a good faith effort to find employment. While California does not mandate a specific number of work search activities, claimants must prove they engaged in approved efforts. Under 22 CCR 1253(e)-1(a), a claimant’s job search must be reasonably designed for prompt employment. The code provides examples of acceptable actions, such as applying for suitable job openings and registering with private employment agencies, and states that willfully discouraging employers from hiring the claimant constitutes a failure to meet the active search for work requirement. *See* 22 CCR 1253(e)-1(b).

Minnesota

Minnesota has not specified a minimum number of weekly work search contacts in its statute, regulations, or policy. Minnesota defines “actively seeking suitable work” as those reasonable, diligent efforts an individual in similar circumstances would make if genuinely interested in obtaining suitable employment under the existing conditions in the labor market area. Minn. Stat. § 268.085(16)(a).

Unspecified - Reasonable Person Standard

New Hampshire

Claimants in New Hampshire must actively search for work to maintain UI eligibility (RSA 282-A:31(I)(d)). While no set number of activities is required, claimants must make a reasonable effort to find employment. The state may assign specific activity requirements based on a claimant’s experience, skills, and the labor market conditions in their area. An effective job

search includes applying for qualified positions, considering seasonal job availability, using various search methods, and contacting new employers weekly.

Quality Over Quantity

Illinois

In Illinois, claimants must actively search for work to qualify for UI benefits (820 ILCS 405/500(C)). The interpretation of what constitutes an "active search for work" has been left to the Illinois courts. The Illinois courts define this as a reasonable effort to find or inquire about job openings. *Ferretti v. IDOL*, 137 Ill. App. 3d 246 (1985). Whether a claimant meets this requirement is an issue of fact, assessed on a case-by-case basis. *Brown v. Board of Review*, 8 Ill. App. 3d 19 (1972). Illinois considers various factors to determine whether a claimant met their active search for work requirement, including the claimant's abilities, training, job market conditions, length of unemployment, work search efforts, customary job-seeking methods, and other relevant circumstances.

Policy

Michigan

In Michigan, claimants must actively search for work to receive UI benefits. MCLS § 421.28(6). Claimants must conduct a systematic job search each week and report their efforts at least once every two weeks. Policy requires claimants to conduct at least one work search activity per week. Michigan's work search statute provides examples of valid work search activities, such as attending job workshops, applying for jobs, creating a professional networking profile, or registering with an employment agency.

Georgia

Claimants in Georgia are required to actively seek work to be eligible to receive UI benefits. OCGA § 34-8-195(a)(3)(A). The policy requires claimants to complete a minimum of three reportable job contacts per week. These contacts must be with employers who have not previously been contacted. Employer contacts can include those made in person, by telephone, online or by résumés faxed, mailed, or emailed.

Statute or Regulation

Texas

Texas UI law requires claimants to actively seek work each week they claim benefits. Tex. Lab. Code § 207.021(a). Pursuant to 40 TAC § 815.28(c), claimants must make at least three work search contacts weekly to maintain eligibility for UI benefits. The regulation provides examples of valid activities, which include attending job seminars, job interviews, or registering with an employment agency.

New York

Claimants in New York must actively search for suitable work each week, completing at least three work search activities. NY CLS Labor § 591(2); 12 NYCRR § 473.4(b). These efforts must be systematic and sustained, with proof provided upon request unless exempt. 12 NYCRR § 473.4(a). Each activity must be completed on a different day. New York requires one priority activity—such as submitting a job application, attending an interview, or visiting a career center—plus two secondary activities per week - such as meeting with career center advisors, participating in instructional workshops, or participating in skills assessments. 12 NYCRR § 473.4(c). These secondary activities include tasks similar to those recognized in Maryland’s list of valid reemployment activities.

Verifying Active Search for Work Requirements in Maryland

Weekly Certification Response

Weekly certification is a crucial process that individuals must complete to maintain their eligibility for UI benefits. Individuals receiving UI benefits must certify their status weekly, via BEACON, by phone, or in-person. This involves answering a series of questions each week to demonstrate that they still meet the eligibility criteria for continued benefits.

The certification process includes questions about:

- Whether the claimant was able and available to work,
- If they attended any schooling or training,
- Whether they actively searched for work,
- If they worked full-time or part-time, and
- Whether they received any commission payments during the corresponding week.

If a claimant indicates on their weekly certification that they actively searched for work and meet all other eligibility requirements, the state will issue payment to them. However, if there are any issues, such as incomplete information or discrepancies, payments may be delayed and DUI will follow up for additional details.

If a claimant reports that they did not actively search for work on their weekly certification, they will receive a warning for the first violation. For any subsequent violations, benefits will be indefinitely denied until the claimant meets all eligibility requirements.

Claimants are also asked to maintain a record of the jobs they have applied for, contacts made with potential employers, and any other steps taken to seek employment. Claimants are required to either upload their work search activities to the MWE website or maintain a physical log or record of their work search activities, which are requested during BAM audits. When uploaded to the MWE, claimants' reemployment activities are transferred over to BEACON, and they appear in the claimant's weekly certification response for the applicable week.

Benefit Accuracy Measurement (BAM) Audits

MD Labor dedicates resources to conduct investigations of both paid and denied UI benefit claims through Benefit Accuracy Measurement (BAM) audits. For paid claims, the audits investigate the accuracy of each paid claim's monetary and separation determination, as well as all continuing eligibility requirements, such as work search, able and available requirements, earnings from employment, and other income sources, such as pensions. These audits are conducted for randomly selected weeks of compensated benefits, known as "key weeks." The audits consist of interviews with claimants, reviews of agency records (including those from American Job Centers and the Employment Service), and communication with employers, labor unions, and private employment agencies.

When verifying work search efforts, BAM investigators review these records to confirm that claimants have actively sought work during the key week. This includes interviewing claimants, checking the number of job contacts or activities completed, the types of jobs applied for, and the methods used (such as online applications or in-person visits).

After gathering this information, the BAM unit contacts the employers or organizations that claimants reported interacting with during their job search. This helps verify whether the claimant applied for the job, attended interviews, or had other job-seeking interactions as claimed. Additionally, BAM investigators may review records from Employment Service agencies, American Job Centers, or other relevant organizations to confirm whether claimants

registered with these services, attended mandatory meetings, or participated in necessary job-seeking activities.

In addition to verifying the quantity of work search activities, the BAM unit evaluates whether the claimants' work search efforts are reasonable and targeted toward suitable employment based on their work history, skills, and level of education.

Verifying Active Search for Work Requirements in Other States

MD Labor reached out to twenty-five states to inquire about the processes they have in place other than BAM audits and monitoring RESEA participation to verify claimant compliance with work search requirements and/or to allow employers to report incidents of claimants "ghosting" employers after a scheduled interview. Of the twenty-five states contacted, twelve provided substantive responses. Among those, seven states - Delaware, Massachusetts, Michigan, New Jersey, Pennsylvania, South Carolina, and Virginia - indicated that they use processes similar to Maryland's for verifying claimants' compliance with active search for work requirements.

Of the twelve states that provided substantive responses to MD Labor's inquiry, five—Arkansas, Wisconsin, Kansas, Missouri, and Montana—shared details about how their current processes for verifying claimant compliance with active search for work requirements differ from those in Maryland.

Arkansas

Arkansas HB 1197, which became Act 106 (the, "Act") in 2023, introduced new rules regarding UI benefits in Arkansas. Under this law, individuals applying for unemployment benefits can be disqualified if they "ghost" prospective employers during the job application process. Ghosting is defined here as failing to respond or follow up after initiating a job application or interview without proper notification. The Act amended Arkansas Code § 11-10-515, related to the "Refusal to Apply for or Accept Suitable Work" provision, allowing for disqualification if a non-exempt claimant misses two or more scheduled interviews with a prospective employer without notifying the employer to reschedule or providing a valid reason. The bill aims to encourage job-seeking accountability among claimants and reduce incidents of non-responsiveness that burden employers. The bill was passed in the Arkansas House and Senate in February 2023 and went into effect on January 1, 2024 as part of Arkansas's Division of Workforce Services (DWS) regulations on unemployment benefits.

Currently, DWS has not implemented IT updates to its UI operating and administration system to track claimants who ghost interviews with potential employers. Instead, DWS uses a shared

inbox, similar to the one used for fraud tips and leads, to collect ghosting complaints from employers. The technical UI staff then manually transfers the information received into a spreadsheet for further investigation.

Wisconsin

In addition to the federally mandated BAM audits and oversight of individuals participating in the RESEA program, Wisconsin state law requires the Wisconsin Department of Workforce Development (DWD) to conduct non-BAM audits to review claimants' compliance with work search requirements. Wisconsin Statute 108.14 emphasizes the administration of the state's UI program, with a strong focus on detecting and preventing fraud. Section 20 of this statute mandates DWD to conduct random audits of UI claimants to ensure compliance with their work search requirements. These audits are carried out by non-BAM investigators within DWD's UI system. DWD has set a target of 10,000 non-BAM audits for review each year. DWD includes information gathered from the non-BAM audits in its annual report to the Wisconsin UI advisory Counsel on UI fraud.

Kansas

In addition to federally mandated BAM audits and oversight of individuals in the RESEA program, the Kansas Department of Labor (KDOL) monitors claimant compliance with work search requirements through multiple methods. On November 19, 2024, KDOL launched its modernized Unemployment Insurance Technology Enhancement (UITE) system, which requires claimants to upload their reemployment activities when filing weekly claim certifications. Claimants answering "Yes" to job search inquiries on their weekly certification must provide details regarding the work search activities performed for the corresponding week.

Additionally, the My Reemployment Program (MRP), under K.S.A. 44-775, requires claimants to complete reemployment services before participating in RESEA. KDOL shares contact information with the Kansas Department of Commerce after a claimant's third week of benefits, triggering reemployment services. Failure to comply may result in benefit suspension until requirements are met.

KDOL also provides an employer reporting feature on their agency website for job refusals or incidents of interview "ghosting." Employers submit identifying details, such as the individual's name, mailing address, telephone number or email address and KDOL assesses job suitability and whether the claimant had a valid refusal reason. In cases of "ghosting," KDOL assesses whether the claimant was actively pursuing reemployment in line with Kansas UI law. The "ghosting" reporting feature is not mandated by state law.

Missouri

In addition to verification of work search activities through BAM audits and RESEA participation, the Missouri Department of Labor provides a link on their website and their benefit application program for employers to report work refusals and individuals who were unavailable for, or “ghosted,” a job interview. Employers are asked for the prospective employees' name, address, phone number, and social security number, as well as specific information about the work offered. Of the PII requested, social security number is not a required field—name, address, and phone number are required fields. If the individual has an active UI claim, an investigation is initiated into the issue. The “ghosting” reporting portal is not mandated by state law.

All work search activities reported on an individual’s weekly request for payment are subject to verification. Other than BAM or RESEA, verification would be done if information was received that called the credibility of a work search activity into question.

Montana

In addition to conducting BAM audits and monitoring RESEA participation, Montana conducts random non-BAM audits of claimants to verify work searches. These audits include confirming job contacts with the employers listed and verifications if there is a question about the claimant’s job search activities. These additional methods of verification are not required by statute but are conducted as part of the state’s internal business processes.

Comparison with Other States

As shown in the table below, Maryland’s work search requirements and verification mechanisms align with other states, including those located in the Mid-Atlantic region.

Table 1: States’ Work Search Requirements

| State | Minimum # of Work Search Activities Required Per Week | Types of Required Activities* | Specific Policies Related to “Ghosting” |
|-------|---|--|---|
| AR | 3 | 3 job contacts | Yes |
| DE | 1 | 1 job contact | None |
| DC | 2 | 2 job contacts | None |
| KS | 3 | 2 job contacts, 1 reemployment activity | Yes |
| MD | 3 | 1 job contact, 2 reemployment activities | None |
| MA | 3 | Unspecified | None |
| MI | 1 | 1 job contact or reemployment activity | None |
| MO | 3 | Unspecified | |
| MT | 1 | 1 job contact | None |
| NJ | 3 | 1 job contact, 2 reemployment activities | None |
| NY | 3 | 1 job contact, 2 reemployment activities | None |
| PA | 3 | 2 job contacts, 1 reemployment activity | None |

| State | Minimum # of Work Search Activities Required Per Week | Types of Required Activities* | Specific Policies Related to “Ghosting” |
|-------|---|--|---|
| SC | 2 | 2 job contacts | None |
| VA | 2 - dependent on location | 2 job contacts | None |
| WV | Unspecified - dependent on location | Depends on claimant’s occupation and local labor market conditions | None |
| WI | 4 | Unspecified | None |

*Note that all states verify work search requirements though federally mandated BAM Audits

Maryland’s Evaluation of Work Search Verifications

Maryland BAM audit reports indicate that most employers either do not respond to verification requests from DUI or are unable to verify a job contact. BAM auditors contact employers to verify claimant job contacts using various methods. Auditors may call employers directly to confirm that the claimant submitted an application, attended an interview, or made other job-related contact. Auditors may send emails to employers, requesting confirmation of the claimant's job search activities. In some cases, auditors send formal verification forms or questionnaires via email. If the claimant is unable to provide a contact for the employer, auditors will attempt to contact the employer’s HR department to verify the job contact.

The BAM Paid Claims Accuracy Work Search Summary outlines the work search audits conducted by the BAM unit between January 1 - September 22, 2024. During this period, 690 total work search activities were reviewed. Of these, 400 (57.97%) were deemed unverifiable. This means that a verifying prospective employer either did not respond to MD Labor’s inquiry or was unable to confirm the activity for various reasons, such as:

- Receiving a high volume of applications for a specific position,
- An in-person activity was conducted, which did not result in the creation of documentation, or
- Poor record-keeping practices.

Challenges such as common names or needing to limit personally identifiable information like social security numbers, can make it difficult for employers to verify an individual applicant. Some employers are hesitant to share information due to concerns about potential violations of privacy laws.

Another challenge employers encounter when verifying job contacts stems from modern job search methods and evolving employer recruitment and candidate evaluation processes. Many applicants submit job applications through third-party websites (e.g., Indeed, Monster), and the sheer volume of applications for one position can make it challenging for employers to confirm receipt of a specific application. Applicants also maximize their chances and apply to several jobs at once. By the time an interview request is made, applicants may have already secured a position or be in the process of doing so.

With more individuals working as freelancers or gig workers, verifying their efforts to secure traditional employment becomes more complex. Non-traditional job search activities, such as

seeking freelance opportunities or marketing their services, are harder to monitor and assess. Studies estimate that up to 36% of the workforce works in the gig economy.¹

Additionally, claimants located in low-income communities or rural or geographically isolated areas also face several unique challenges when seeking UI benefits. Claimants may face limited access to the internet or technology, resulting in poorly documented job searches that complicate verification efforts.

The issues outlined in this section currently pose challenges to MD Labor’s processes for verifying claimant compliance with an active search for work requirements. The lack of employer cooperation or inability to verify work search activities can delay or hinder the efforts made by MD Labor to ensure claimant compliance with Maryland’s active search for work requirements. Without direct feedback from employers or consistent documentation, verifying the accuracy and sincerity of claimant work search activities is challenging.

Implementing additional processes could further expose MD Labor to these challenges and require additional resources and efforts to address them. Furthermore, requiring MD Labor to implement additional processes for verifying claimant compliance would increase the current workload at the claim center level, potentially creating or contributing to a backlog of issues that require adjudication.

BEACON Functionality for Employer “Ghosting” Incidents

In response to the challenges arising from the COVID-19 pandemic, MD Labor established the role of a UI Ombudsman to assist claimants, employers, and other stakeholders in navigating the state’s UI system. The Ombudsman’s responsibilities include facilitating communication, addressing concerns, receiving complaints, and providing guidance on resolving issues related to unemployment claims and benefits. This role aims to enhance fairness, transparency, and efficiency in the UI process.

Employers with complaints, including those related to individuals failing to appear for scheduled interviews, can complete the [Ombudsman Inquiry Form](#) and submit it via email to the dedicated [Ombudsman inbox](#), accessible through MD Labor’s webpage. MD Labor has also established a dedicated [Employer Call Center](#) (410-949-0033, 8:00 a.m. to 4:30 p.m. Monday through Friday) focused on handling complaints and inquiries from employers. Since the introduction of the Ombudsman inbox, the majority of employer inquiries have focused on tax or accounting issues and general account-related assistance. There have been no reports of interview “ghosting” activities by claimants. This may be because it is nearly impossible for an employer who has

¹ Upwork. 2020. *Freelance Forward 2020: The U.S. Independent Workforce Report*. September 2020.

been ghosted to know that an applicant who did not attend the interview is receiving UI benefits. MD Labor can increase education and outreach to employers about the availability and functionality of the Ombudsman Inquiry Form, emphasizing that it can be used to report suspected activities of interview ghosting.

Feasibility for Employers to Input Job Contact Information into BEACON

Currently, BEACON does not have a feature that allows employers to report instances of "ghosting." Federal data privacy requirements prevent employers from having access to UI claimants' information to report allegations of "ghosting" through BEACON. However, MD Labor could establish processes that enable employers to report information similarly to how they report potential claimant fraud. If the prospective employer provides sufficient details—such as the individual's full name, mailing address, email address, and/or phone number—MD Labor could investigate whether an active UI claim exists. If a claim is identified, an investigation could be initiated.

Potential Increase in Workload

If Maryland's UI code were amended to address the issue of "ghosting," it may significantly increase MD Labor's workload by requiring more weekly investigations to be conducted. Since employers typically do not know whether a job applicant is a UI claimant and UI claimants make up a small portion of the overall applicant pool, a significant percentage of investigations are likely to be unproductive. So far, MD Labor has not received any reports of interview "ghosting," and thus, does not have enough information to assess how many instances of this issue may exist. As a result, MD Labor cannot estimate the potential increase in workload that could occur with the enactment of a "ghosting" statute. However, if MD Labor were to receive a high volume of complaints from prospective employers, it could substantially impact workload, potentially requiring the allocation of additional time and resources to establish a dedicated unit for investigating and adjudicating these new types of issues.

Recommendation

MD Labor recommends adding a reporting mechanism on the UI website for employers to submit allegations of "ghosting" activities. In coordination with the Ombudsman process, MD Labor will be able to verify these employer concerns and capture data to move forward with other cost-effective verification designs and development.

Conclusion

Maryland’s UI policies align with federal requirements, incorporate a comprehensive active search for work requirements to ensure claimants actively pursue reemployment, and the policies are consistent with those of other states.

Challenges persist in verifying claimant compliance with work search requirements, primarily due to limited employer participation and the changing dynamics of the workplace. However, MD Labor could establish processes that enable employers to report interview ghosting information similarly to how they report potential claimant fraud. This will require a balanced approach, taking into account the additional workload and resource demands involved.

Continued dialogue, stakeholder engagement, and strategic investment will be key to fostering a responsive UI framework that effectively serves both job seekers and employers. MD Labor remains committed to upholding the program’s objectives while exploring innovative solutions to emerging issues.