

# SENATE BILL 84

K2

6lr0069

(PRE-FILED)

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By: **Chair, Finance Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Requested: November 4, 2015

Introduced and read first time: January 13, 2016

Assigned to: Finance

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 5, 2016

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Unemployment Insurance – Calculation and Application of Table of Rates –**  
3 **Revision**

4 FOR the purpose of providing that, for any calendar year beginning on or after a certain  
5 date, the Table of Rates in effect for the immediately preceding calendar year  
6 continues to apply under certain circumstances; making conforming changes; and  
7 generally relating to the calculation and application of the Table of Rates under the  
8 Maryland Unemployment Insurance Law.

9 BY repealing and reenacting, with amendments,  
10 Article – Labor and Employment  
11 Section 8–612(d)  
12 Annotated Code of Maryland  
13 (2008 Replacement Volume and 2015 Supplement)

14 BY adding to  
15 Article – Labor and Employment  
16 Section 8–612(f)  
17 Annotated Code of Maryland  
18 (2008 Replacement Volume and 2015 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **Article – Labor and Employment**

2 8–612.

3 (d) (1) **[For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,**  
 4 **FOR** any calendar year beginning on or after January 1, 2006, when the Unemployment  
 5 Insurance Fund balance on September 30 of the immediately preceding calendar year  
 6 exceeds 5% of the total taxable wages in covered employment for the 4 completed calendar  
 7 quarters immediately preceding September 30, the Table of Rates in this paragraph of this  
 8 subsection shall apply.

9 **Table of Rates – Table A**

10	Employing		Employing
11	Unit's Benefit		Unit's
12	Ratio		Rate
13	(1)	.0000 — .....	0.30%
14	(2)	.0001 — .0027 .....	0.60%
15	(3)	.0028 — .0054 .....	0.90%
16	(4)	.0055 — .0081 .....	1.20%
17	(5)	.0082 — .0108 .....	1.50%
18	(6)	.0109 — .0135 .....	1.80%
19	(7)	.0136 — .0162 .....	2.10%
20	(8)	.0163 — .0189 .....	2.40%
21	(9)	.0190 — .0216 .....	2.70%
22	(10)	.0217 — .0243 .....	3.00%
23	(11)	.0244 — .0270 .....	3.30%
24	(12)	.0271 — .0297 .....	3.60%
25	(13)	.0298 — .0324 .....	3.90%
26	(14)	.0325 — .0351 .....	4.20%
27	(15)	.0352 — .0378 .....	4.50%
28	(16)	.0379 — .0405 .....	4.80%
29	(17)	.0406 — .0432 .....	5.10%
30	(18)	.0433 — .0459 .....	5.40%
31	(19)	.0460 — .0486 .....	5.70%
32	(20)	.0487 — .0513 .....	6.00%
33	(21)	.0514 — .0540 .....	6.30%
34	(22)	.0541 — .0567 .....	6.60%
35	(23)	.0568 — .0594 .....	6.90%
36	(24)	.0595 — .0621 .....	7.20%
37	(25)	.0622 — and over .....	7.50%

38 (2) **[For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,**  
 39 **FOR** any calendar year beginning on or after January 1, 2006, when the Unemployment  
 40 Insurance Fund balance on September 30 of the immediately preceding calendar year

1 exceeds 4.5%, but is not in excess of 5% of the total taxable wages in covered employment  
 2 for the 4 completed calendar quarters immediately preceding September 30, the Table of  
 3 Rates in this paragraph of this subsection shall apply.

4 Table of Rates – Table B

5	Employing		Employing
6	Unit's Benefit		Unit's
7	Ratio		Rate
8	(1)	.0000 — .....	0.60%
9	(2)	.0001 — .0027 .....	0.90%
10	(3)	.0028 — .0054 .....	1.20%
11	(4)	.0055 — .0081 .....	1.50%
12	(5)	.0082 — .0108 .....	1.80%
13	(6)	.0109 — .0135 .....	2.10%
14	(7)	.0136 — .0162 .....	2.40%
15	(8)	.0163 — .0189 .....	2.70%
16	(9)	.0190 — .0216 .....	3.00%
17	(10)	.0217 — .0243 .....	3.30%
18	(11)	.0244 — .0270 .....	3.60%
19	(12)	.0271 — .0297 .....	3.90%
20	(13)	.0298 — .0324 .....	4.20%
21	(14)	.0325 — .0351 .....	4.50%
22	(15)	.0352 — .0378 .....	4.80%
23	(16)	.0379 — .0405 .....	5.10%
24	(17)	.0406 — .0432 .....	5.40%
25	(18)	.0433 — .0459 .....	5.70%
26	(19)	.0460 — .0486 .....	6.00%
27	(20)	.0487 — .0513 .....	6.30%
28	(21)	.0514 — .0540 .....	6.60%
29	(22)	.0541 — .0567 .....	6.90%
30	(23)	.0568 — .0594 .....	7.20%
31	(24)	.0595 — .0621 .....	7.50%
32	(25)	.0622 — .0648 .....	7.80%
33	(26)	.0649 — .0675 .....	8.10%
34	(27)	.0676 — .0702 .....	8.40%
35	(28)	.0703 — .0729 .....	8.70%
36	(29)	.0730 — and over .....	9.00%

37 (3) [For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,  
 38 FOR any calendar year beginning on or after January 1, 2006, when the Unemployment  
 39 Insurance Fund balance on September 30 of the immediately preceding calendar year  
 40 exceeds 4%, but is not in excess of 4.5% of the total taxable wages in covered employment  
 41 for the 4 completed calendar quarters immediately preceding September 30, the Table of  
 42 Rates in this paragraph of this subsection shall apply.

Table of Rates – Table C

	Employing Unit's Benefit Ratio	Employing Unit's Rate
5	(1) .0000 — .....	1.00%
6	(2) .0001 — .0027 .....	1.50%
7	(3) .0028 — .0054 .....	1.80%
8	(4) .0055 — .0081 .....	2.10%
9	(5) .0082 — .0108 .....	2.40%
10	(6) .0109 — .0135 .....	2.70%
11	(7) .0136 — .0162 .....	3.00%
12	(8) .0163 — .0189 .....	3.30%
13	(9) .0190 — .0216 .....	3.60%
14	(10) .0217 — .0243 .....	3.90%
15	(11) .0244 — .0270 .....	4.20%
16	(12) .0271 — .0297 .....	4.50%
17	(13) .0298 — .0324 .....	4.80%
18	(14) .0325 — .0351 .....	5.10%
19	(15) .0352 — .0378 .....	5.40%
20	(16) .0379 — .0405 .....	5.70%
21	(17) .0406 — .0432 .....	6.00%
22	(18) .0433 — .0459 .....	6.30%
23	(19) .0460 — .0486 .....	6.60%
24	(20) .0487 — .0513 .....	6.90%
25	(21) .0514 — .0540 .....	7.20%
26	(22) .0541 — .0567 .....	7.50%
27	(23) .0568 — .0594 .....	7.80%
28	(24) .0595 — .0621 .....	8.10%
29	(25) .0622 — .0648 .....	8.40%
30	(26) .0649 — .0675 .....	8.70%
31	(27) .0676 — .0702 .....	9.00%
32	(28) .0703 — .0729 .....	9.30%
33	(29) .0730 — .0756 .....	9.60%
34	(30) .0757 — .0783 .....	9.90%
35	(31) .0784 — .0810 .....	10.20%
36	(32) .0811 — and over .....	10.50%

37 (4) [For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,  
38 FOR any calendar year beginning on or after January 1, 2006, when the Unemployment  
39 Insurance Fund balance on September 30 of the immediately preceding calendar year  
40 exceeds 3.5%, but is not in excess of 4% of the total taxable wages in covered employment  
41 for the 4 completed calendar quarters immediately preceding September 30, the Table of  
42 Rates in this paragraph of this subsection shall apply.

1	Employing	Employing
2	Unit's Benefit	Unit's
3	Ratio	Rate
4	(1) .0000 — .....	1.40%
5	(2) .0001 — .0027 .....	2.10%
6	(3) .0028 — .0054 .....	2.40%
7	(4) .0055 — .0081 .....	2.70%
8	(5) .0082 — .0108 .....	3.00%
9	(6) .0109 — .0135 .....	3.30%
10	(7) .0136 — .0162 .....	3.60%
11	(8) .0163 — .0189 .....	3.90%
12	(9) .0190 — .0216 .....	4.20%
13	(10) .0217 — .0243 .....	4.50%
14	(11) .0244 — .0270 .....	4.80%
15	(12) .0271 — .0297 .....	5.10%
16	(13) .0298 — .0324 .....	5.40%
17	(14) .0325 — .0351 .....	5.70%
18	(15) .0352 — .0378 .....	6.00%
19	(16) .0379 — .0405 .....	6.30%
20	(17) .0406 — .0432 .....	6.60%
21	(18) .0433 — .0459 .....	6.90%
22	(19) .0460 — .0486 .....	7.20%
23	(20) .0487 — .0513 .....	7.50%
24	(21) .0514 — .0540 .....	7.80%
25	(22) .0541 — .0567 .....	8.10%
26	(23) .0568 — .0594 .....	8.40%
27	(24) .0595 — .0621 .....	8.70%
28	(25) .0622 — .0648 .....	9.00%
29	(26) .0649 — .0675 .....	9.30%
30	(27) .0676 — .0702 .....	9.60%
31	(28) .0703 — .0729 .....	9.90%
32	(29) .0730 — .0756 .....	10.20%
33	(30) .0757 — .0783 .....	10.50%
34	(31) .0784 — .0810 .....	10.80%
35	(32) .0811 — .0837 .....	11.10%
36	(33) .0838 — .0864 .....	11.40%
37	(34) .0865 — .0891 .....	11.70%
38	(35) .0892 — and over .....	11.80%

39           (5)   **[For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,**  
40 **FOR** any calendar year beginning on or after January 1, 2006, when the Unemployment  
41 Insurance Fund balance on September 30 of the immediately preceding calendar year  
42 exceeds 3%, but is not in excess of 3.5% of the total taxable wages in covered employment  
43 for the 4 completed calendar quarters immediately preceding September 30, the Table of  
44 Rates in this paragraph of this subsection shall apply.

## Table of Rates – Table E

	Employing Unit's Benefit Ratio	Employing Unit's Rate
5	(1) .0000 — .....	1.80%
6	(2) .0001 — .0027 .....	2.60%
7	(3) .0028 — .0054 .....	2.90%
8	(4) .0055 — .0081 .....	3.20%
9	(5) .0082 — .0108 .....	3.50%
10	(6) .0109 — .0135 .....	3.80%
11	(7) .0136 — .0162 .....	4.10%
12	(8) .0163 — .0189 .....	4.40%
13	(9) .0190 — .0216 .....	4.70%
14	(10) .0217 — .0243 .....	5.00%
15	(11) .0244 — .0270 .....	5.30%
16	(12) .0271 — .0297 .....	5.60%
17	(13) .0298 — .0324 .....	5.90%
18	(14) .0325 — .0351 .....	6.20%
19	(15) .0352 — .0378 .....	6.50%
20	(16) .0379 — .0405 .....	6.80%
21	(17) .0406 — .0432 .....	7.10%
22	(18) .0433 — .0459 .....	7.40%
23	(19) .0460 — .0486 .....	7.70%
24	(20) .0487 — .0513 .....	8.00%
25	(21) .0514 — .0540 .....	8.30%
26	(22) .0541 — .0567 .....	8.60%
27	(23) .0568 — .0594 .....	8.90%
28	(24) .0595 — .0621 .....	9.20%
29	(25) .0622 — .0648 .....	9.50%
30	(26) .0649 — .0675 .....	9.80%
31	(27) .0676 — .0702 .....	10.10%
32	(28) .0703 — .0729 .....	10.40%
33	(29) .0730 — .0756 .....	10.70%
34	(30) .0757 — .0783 .....	11.00%
35	(31) .0784 — .0810 .....	11.30%
36	(32) .0811 — .0837 .....	11.60%
37	(33) .0838 — .0864 .....	11.90%
38	(34) .0865 — .0891 .....	12.20%
39	(35) .0892 — .0918 .....	12.50%
40	(36) .0919 — .0945 .....	12.80%
41	(37) .0946 — and over .....	12.90%

42 (6) [For] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,  
 43 FOR any calendar year beginning on or after January 1, 2006, when the Unemployment

1 Insurance Fund balance on September 30 of the immediately preceding calendar year is  
 2 not in excess of 3% of the total taxable wages in covered employment for the 4 completed  
 3 calendar quarters immediately preceding September 30, the Table of Rates in this  
 4 paragraph of this subsection shall apply.

5 Table of Rates – Table F

6	7	8	Employing
9	10	11	Unit's
12	13	14	Rate
15	16	17	Rate
18	(1)	.0000 — .....	2.20%
19	(2)	.0001 — .0027 .....	3.10%
20	(3)	.0028 — .0054 .....	3.40%
21	(4)	.0055 — .0081 .....	3.70%
22	(5)	.0082 — .0108 .....	4.00%
23	(6)	.0109 — .0135 .....	4.30%
24	(7)	.0136 — .0162 .....	4.60%
25	(8)	.0163 — .0189 .....	4.90%
26	(9)	.0190 — .0216 .....	5.20%
27	(10)	.0217 — .0243 .....	5.50%
28	(11)	.0244 — .0270 .....	5.80%
29	(12)	.0271 — .0297 .....	6.10%
30	(13)	.0298 — .0324 .....	6.40%
31	(14)	.0325 — .0351 .....	6.70%
32	(15)	.0352 — .0378 .....	7.00%
33	(16)	.0379 — .0405 .....	7.30%
34	(17)	.0406 — .0432 .....	7.60%
35	(18)	.0433 — .0459 .....	7.90%
36	(19)	.0460 — .0486 .....	8.20%
37	(20)	.0487 — .0513 .....	8.50%
38	(21)	.0514 — .0540 .....	8.80%
39	(22)	.0541 — .0567 .....	9.10%
40	(23)	.0568 — .0594 .....	9.40%
41	(24)	.0595 — .0621 .....	9.70%
42	(25)	.0622 — .0648 .....	10.00%
43	(26)	.0649 — .0675 .....	10.30%
44	(27)	.0676 — .0702 .....	10.60%
	(28)	.0703 — .0729 .....	10.90%
	(29)	.0730 — .0756 .....	11.20%
	(30)	.0757 — .0783 .....	11.50%
	(31)	.0784 — .0810 .....	11.80%
	(32)	.0811 — .0837 .....	12.10%
	(33)	.0838 — .0864 .....	12.40%
	(34)	.0865 — .0891 .....	12.70%
	(35)	.0892 — .0918 .....	13.00%
	(36)	.0919 — .0945 .....	13.30%

1 (37) .0946 — and over ..... 13.50%

2 (F) FOR ANY CALENDAR YEAR BEGINNING ON OR AFTER JANUARY 1, 2017,  
3 THE TABLE OF RATES IN EFFECT FOR THE IMMEDIATELY PRECEDING CALENDAR  
4 YEAR SHALL CONTINUE TO APPLY IF:

5 (1) THE UNEMPLOYMENT INSURANCE FUND BALANCE ON  
6 SEPTEMBER 30 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR WAS AT A LEVEL  
7 THAT WOULD RESULT IN A TABLE OF RATES THAT HAD LOWER RATES BEING  
8 APPLIED UNDER SUBSECTION (D) OF THIS SECTION; AND

9 (2) THE FEDERAL FUNDING GOALS REQUIREMENT IN 20 C.F.R. §  
10 606.32 WERE NOT MET AS OF DECEMBER 31 OF THE SECOND IMMEDIATELY  
11 PRECEDING CALENDAR YEAR.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
13 1, 2016.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.