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**By: Senator Bromwell**

Introduced and read first time: January 31, 1997

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance - Employer Contribution Rates**

3 FOR the purpose of altering a certain ratio between the balance in the Unemployment  
4 Insurance Fund and certain taxable wages; altering the schedule of basic rate  
5 adjustments; and generally relating to unemployment insurance law.

6 BY repealing and reenacting, with amendments,  
7 Article - Labor and Employment  
8 Section 8-612(d) and (e)  
9 Annotated Code of Maryland  
10 (1991 Volume and 1996 Supplement)

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

13 **Article - Labor and Employment**

14 8-612.

15 (d) For any calendar year beginning on or after January 1, 1992, when the  
16 Unemployment Insurance Fund balance on September 30 of the immediately preceding  
17 calendar year equals or exceeds [4.7%] 5.6% but is not in excess of [5.5%] 6.3% of the  
18 total taxable wages in covered employment for the 4 completed calendar quarters  
19 immediately preceding September 30, the Table of Basic Rates shall apply.

20 Table of Basic Rates

21 Employing	Employing
22 Unit's	Unit's
23 Benefit	Basic
24 Ratio	Rate
25 (1) .0000 -- .....	0.3%
26 (2) .0001 -- .0009 .....	0.4%
27 (3) .0010 -- .0018 .....	0.5%
28 (4) .0019 -- .0027 .....	0.6%
29 (5) .0028 -- .0036 .....	0.7%
30 (6) .0037 -- .0045 .....	0.8%

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1 (7) .0046 -- .0054 .....	0.9%
2 (8) .0055 -- .0063 .....	1.0%
3 (9) .0064 -- .0072 .....	1.1%
4 (10) .0073 -- .0081 .....	1.2%
5 (11) .0082 -- .0090 .....	1.3%
6 (12) .0091 -- .0099 .....	1.4%
7 (13) .0100 -- .0108 .....	1.5%
8 (14) .0109 -- .0117 .....	1.6%
9 (15) .0118 -- .0126 .....	1.7%
10 (16) .0127 -- .0135 .....	1.8%
11 (17) .0136 -- .0144 .....	1.9%
12 (18) .0145 -- .0153 .....	2.0%
13 (19) .0154 -- .0162 .....	2.1%
14 (20) .0163 -- .0171 .....	2.2%
15 (21) .0172 -- .0180 .....	2.3%
16 (22) .0181 -- .0189 .....	2.4%
17 (23) .0190 -- .0198 .....	2.5%
18 (24) .0199 -- .0207 .....	2.6%
19 (25) .0208 -- .0216 .....	2.7%
20 (26) .0217 -- .0225 .....	2.8%
21 (27) .0226 -- .0234 .....	2.9%
22 (28) .0235 -- .0243 .....	3.0%
23 (29) .0244 -- .0252 .....	3.1%
24 (30) .0253 -- .0261 .....	3.2%
25 (31) .0262 -- .0270 .....	3.3%
26 (32) .0271 -- .0279 .....	3.4%
27 (33) .0280 -- .0288 .....	3.5%
28 (34) .0289 -- .0297 .....	3.6%
29 (35) .0298 -- .0306 .....	3.7%
30 (36) .0307 -- .0315 .....	3.8%
31 (37) .0316 -- .0324 .....	3.9%
32 (38) .0325 -- .0333 .....	4.0%
33 (39) .0334 -- .0342 .....	4.1%
34 (40) .0343 -- .0351 .....	4.2%
35 (41) .0352 -- .0360 .....	4.3%
36 (42) .0361 -- .0369 .....	4.4%
37 (43) .0370 -- .0378 .....	4.5%
38 (44) .0379 -- .0387 .....	4.6%
39 (45) .0388 -- .0396 .....	4.7%
40 (46) .0397 -- .0405 .....	4.8%
41 (47) .0406 -- .0414 .....	4.9%
42 (48) .0415 -- .0423 .....	5.0%
43 (49) .0424 -- .0432 .....	5.1%
44 (50) .0433 -- .0441 .....	5.2%
45 (51) .0442 -- .0450 .....	5.3%
46 (52) .0451 -- .0459 .....	5.4%
47 (53) .0460 -- .0468 .....	5.5%
48 (54) .0469 -- .0477 .....	5.6%

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1 (55) .0478 -- .0486 .....	5.7%
2 (56) .0487 -- .0495 .....	5.8%
3 (57) .0496 -- .0504 .....	5.9%
4 (58) .0505 -- .0513 .....	6.0%
5 (59) .0514 -- .0522 .....	6.1%
6 (60) .0523 -- .0531 .....	6.2%
7 (61) .0532 -- .0540 .....	6.3%
8 (62) .0541 -- .0549 .....	6.4%
9 (63) .0550 -- .0558 .....	6.5%
10 (64) .0559 -- .0567 .....	6.6%
11 (65) .0568 -- .0576 .....	6.7%
12 (66) .0577 -- .0585 .....	6.8%
13 (67) .0586 -- .0594 .....	6.9%
14 (68) .0595 -- .0603 .....	7.0%
15 (69) .0604 -- .0612 .....	7.1%
16 (70) .0613 -- .0621 .....	7.2%
17 (71) .0622 -- .0630 .....	7.3%
18 (72) .0631 -- .0639 .....	7.4%
19 (73) .0640 -- .0648 .....	7.4%
20 (74) .0649 -- and over .....	7.4%

21 (e) For any calendar year beginning on or after January 1, 1992, when the  
 22 Unemployment Insurance Fund balance on September 30 of the immediately preceding  
 23 calendar year is less than [4.7%] 5.6% or equals or is in excess of [5.5%] 6.3% of the  
 24 total taxable wages in covered employment for the 4 completed calendar quarters  
 25 immediately preceding September 30, the rates at which employers shall be required to  
 26 pay contributions shall be determined by using the Table of Basic Rates under subsection  
 27 (d) of this section adjusted as shown in the Schedule of Basic Rate Adjustments set forth  
 28 below.

29 SCHEDULE OF BASIC RATE ADJUSTMENTS

30 When Ratio Between Fund Balance	Employing Unit's
31 on September 30 and Total	Contribution
32 Taxable Wages for Prior Year Is:	Basic Rate Shall:
33 (1) up to 2.8%	Increase by 2.0%
34 (2) 2.8% but less than 2.9%	Increase by 1.9%
35 (3) 2.9% but less than 3.0%	Increase by 1.8%
36 (4) 3.0% but less than 3.1%	Increase by 1.7%
37 (5) 3.1% but less than 3.2%	Increase by 1.6%
38 (6) 3.2% but less than 3.3%	Increase by 1.5%
39 (7) 3.3% but less than 3.4%	Increase by 1.4%
40 (8) 3.4% but less than 3.5%	Increase by 1.3%
41 (9) 3.5% but less than 3.6%	Increase by 1.2%
42 (10) 3.6% but less than 3.7%	Increase by 1.1%
43 (11) 3.7% but less than 3.8%	Increase by 1.0%
44 (12) 3.8% but less than 3.9%	Increase by 0.9%
45 (13) 3.9% but less than 4.0%	Increase by 0.8%

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1 (14) 4.0% but less than 4.1%	Increase by 0.7%
2 (15) 4.1% but less than 4.2%	Increase by 0.6%
3 (16) 4.2% but less than 4.3%	Increase by 0.5%
4 (17) 4.3% but less than 4.4%	Increase by 0.4%
5 (18) 4.4% but less than 4.5%	Increase by 0.3%
6 (19) 4.5% but less than 4.6%	Increase by 0.2%
7 (20) 4.6% but less than [4.7%] 5.6%	Increase by 0.1%
8 (21) [5.5%] 6.3% but less than [5.6%] 7.3%	Decrease by 0.1%
9 (22) [5.6%] 7.3% but less than [5.7%] 7.4%	Decrease by 0.2%
10 (23) [5.7%] 7.4% but less than [5.8%] 7.5%	Decrease by 0.3%
11 (24) [5.8%] 7.5% but less than [5.9%] 7.6%	Decrease by 0.4%
12 (25) [5.9%] 7.6% but less than [6.0%] 7.7%	Decrease by 0.5%
13 (26) [6.0%] 7.7% but less than [6.1%] 7.8%	Decrease by 0.6%
14 (27) [6.1%] 7.8% but less than [6.2%] 7.9%	Decrease by 0.7%
15 (28) [6.2%] 7.9% but less than [6.3%] 8.0%	Decrease by 0.8%
16 (29) [6.3%] 8.0% but less than [6.4%] 8.1%	Decrease by 0.9%
17 (30) [6.4%] 8.1% but less than [6.5%] 8.2%	Decrease by 1.0%
18 (31) [6.5%] 8.2% but less than [6.6%] 8.3%	Decrease by 1.1%
19 (32) [6.6%] 8.3% but less than [6.7%] 8.4%	Decrease by 1.2%
20 (33) [6.7%] 8.4% but less than [6.8%] 8.5%	Decrease by 1.3%
21 (34) [6.8%] 8.5% but less than [6.9%] 8.6%	Decrease by 1.4%
22 (35) [6.9%] 8.6% but less than [7.0%] 8.7%	Decrease by 1.5%
23 (36) [7.0%] 8.7% but less than [7.1%] 8.8%	Decrease by 1.6%
24 (37) [7.1%] 8.8% but less than [7.2%] 8.9%	Decrease by 1.7%
25 (38) [7.2%] 8.9% but less than [7.3%] 9.0%	Decrease by 1.8%
26 (39) [7.3%] 9.0% but less than [7.4%] 9.1%	Decrease by 1.9%
27 (40) [7.4%] 9.1% and over	Decrease by 2.0%

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to the  
 29 employer contribution rates for contributions to the Unemployment Insurance Fund  
 30 assigned for the tax year beginning with January 1, 1998, and all subsequent tax years.

31 SECTION 3. AND BE IT FURTHER ENACTED, That nothing in this Act impairs  
 32 the provisions of Section 10 of Chapter 554 of the Acts of 1992 which amends the earned  
 33 rate of contribution in § 8-612(a)(2) of the Labor and Employment Article and the  
 34 provisions relating to the Table of Basic Rates in § 8-612(d) of the Labor and  
 35 Employment Article from taking effect on January 1, 1998.

36 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 37 July 1, 1997.