

SENATE BILL 84

K2

6lr0069

(PRE-FILED)

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

A BILL ENTITLED

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:

21 **Article – Labor and Employment**

22 8–612.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

7 Table of Rates – Table A

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

36 (2) [For] **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,**
 37 **FOR** any calendar year beginning on or after January 1, 2006, when the Unemployment
 38 Insurance Fund balance on September 30 of the immediately preceding calendar year
 39 exceeds 4.5%, but is not in excess of 5% of the total taxable wages in covered employment
 40 for the 4 completed calendar quarters immediately preceding September 30, the Table of
 41 Rates in this paragraph of this subsection shall apply.

42 Table of Rates – Table B

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

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

39 Table of Rates – Table C

	Employing Unit's Benefit Ratio	Employing Unit's Rate
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SENATE BILL 84

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

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

39 Table of Rates – Table D

40	Employing	Employing
41	Unit's Benefit	Unit's
42	Ratio	Rate

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

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

42 Table of Rates – Table E

43	Employing	Employing
44	Unit's Benefit	Unit's

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

39 (6) [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 is
42 not in excess of 3% of the total taxable wages in covered employment for the 4 completed
43 calendar quarters immediately preceding September 30, the Table of Rates in this
44 paragraph of this subsection shall apply.

Table of Rates – Table F

	Employing Unit's Benefit Ratio	Employing Unit's Rate
5	(1) .0000 —	2.20%
6	(2) .0001 — .0027	3.10%
7	(3) .0028 — .0054	3.40%
8	(4) .0055 — .0081	3.70%
9	(5) .0082 — .0108	4.00%
10	(6) .0109 — .0135	4.30%
11	(7) .0136 — .0162	4.60%
12	(8) .0163 — .0189	4.90%
13	(9) .0190 — .0216	5.20%
14	(10) .0217 — .0243	5.50%
15	(11) .0244 — .0270	5.80%
16	(12) .0271 — .0297	6.10%
17	(13) .0298 — .0324	6.40%
18	(14) .0325 — .0351	6.70%
19	(15) .0352 — .0378	7.00%
20	(16) .0379 — .0405	7.30%
21	(17) .0406 — .0432	7.60%
22	(18) .0433 — .0459	7.90%
23	(19) .0460 — .0486	8.20%
24	(20) .0487 — .0513	8.50%
25	(21) .0514 — .0540	8.80%
26	(22) .0541 — .0567	9.10%
27	(23) .0568 — .0594	9.40%
28	(24) .0595 — .0621	9.70%
29	(25) .0622 — .0648	10.00%
30	(26) .0649 — .0675	10.30%
31	(27) .0676 — .0702	10.60%
32	(28) .0703 — .0729	10.90%
33	(29) .0730 — .0756	11.20%
34	(30) .0757 — .0783	11.50%
35	(31) .0784 — .0810	11.80%
36	(32) .0811 — .0837	12.10%
37	(33) .0838 — .0864	12.40%
38	(34) .0865 — .0891	12.70%
39	(35) .0892 — .0918	13.00%
40	(36) .0919 — .0945	13.30%
41	(37) .0946 — and over	13.50%

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

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

5 **(2) THE FEDERAL FUNDING GOALS REQUIREMENT IN 20 C.F.R. §**
6 **606.32 WERE NOT MET AS OF DECEMBER 31 OF THE SECOND IMMEDIATELY**
7 **PRECEDING CALENDAR YEAR.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2016.