JOHNNY RAY SALLING Legislative District 6 Baltimore County

Budget and Taxation Committee Health and Human Services Subcommittee



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

February 5, 2020

Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401

Re: SB214 Position: Favorable

Dear Chair, Vice Chair, and Committee Members:

I would like to offer for your consideration Senate Bill 214. This bill deals with the calculation of the earned rate of contribution that employers pay on unemployment insurance.

The effects of the coronavirus have been detrimental on many of our businesses in our state, especially our small businesses. For the businesses that have continued to weather this storm, there has no doubt been an experience of fear, hardship, and uncertainty about how to continue. And while we are seeing signs that we are starting to defeat this virus, we still have a long way to go.

That is why I have offered up this bill in hopes that it could help our businesses and especially our small businesses. This year, our businesses moved to Table F in the ratings because of the unemployment issues that they faced. This move to Table F is an increase in the unemployment percentage rates that businesses have to pay which has caused a further economic hardship on businesses struggling to recover. This bill would instead keep our businesses in the lower Table A for a year after the State of Emergency has ended. With businesses paying a lower rate and coupled with other state legislation, hopefully we would see a quicker resurgence in our recovery from this virus.

Thank you for your time; I ask for a favorable report on this bill.

Sincerely, Senator Johnny Ray Salling