

transfer of experience rating to those employers who acquire over 50 percent of a business, and establishing a time limit within which a successor can claim a reduced rate.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Sections 8 (c) (2) and 8 (c) (5) of Article 95A of the Annotated Code of Maryland (1964 Replacement Volume) title "Unemployment Insurance Law," sub-title "Contributions," be and they are hereby repealed and re-enacted, with amendments, to read as follows:*

8.

(c) (2) No employer's rate shall be varied from 2.7 percent for any fiscal year, except as provided in subsection (c) (4) of this section, and unless and until his experience-rating record has been chargeable with benefits throughout the 36-consecutive-calendar-month period ending on the computation date (as defined in subsection (c) (7) of this section), and unless and until each of his annual payrolls, as defined herein, during the four calendar years immediately preceding the computation date for that fiscal year equals or exceeds \$200.00; except that any employer who has not been subject to the provisions of this article for a period of time sufficient to meet the 36-consecutive-calendar-month requirement shall, for the fiscal year beginning July 1, 1960 and for each fiscal year thereafter, have his rate computed on the basis of his experience provided his account has been chargeable with benefits throughout at least the 12-consecutive-calendar-month period ending on the computation date, and provided further that each of his annual payrolls, as defined herein, during the two calendar years immediately preceding the computation date for that fiscal year equalled or exceeded \$200.00. Provided, that if an employer has met all of the other requirements of the law to qualify for an experience rate, but does not have the required annual payrolls because he failed to pay contributions due and payable, on or before the computation date, his contribution rate for the following fiscal year shall be his earned rate or the standard rate, whichever is the greater, *provided further that if an employer has failed to file reports due and/or has failed to pay all contributions due and payable, as required by the provisions of this article and the regulations adopted thereunder, as of the beginning of any fiscal year, his contribution rate shall be 4.2 percent beginning with the first day of that fiscal year and thereafter until the first day of the calendar quarter following the date on which he has filed all reports due and has paid all contributions due, as required by this article and the regulations promulgated pursuant thereto, at which time he shall be granted his earned contribution rate.*

8.

(c) (5) If an employer subject to this article shall transfer his entire business, or a department, section, division or any other [substantial] portion of the business *which includes more than 50 percent of the average number of persons on the payroll of said employer in Maryland during the fiscal year preceding the transfer,* [which is readily definable by sale or otherwise,] to another employing unit, the Executive Director shall combine the experience-