

SEC. 2. *And be it further enacted*, That this Act shall take effect July 1, 1972.

Approved April 26, 1972.

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CHAPTER 115  
(Senate Bill 792)

AN ACT to repeal and re-enact, with amendments, Section 8 (c) of Article 95A of the Annotated Code of Maryland (1969 Replacement Volume and 1971 Supplement), title "Unemployment Insurance Law," subtitle "Contributions;" to provide that unemployment insurance benefits paid on the basis of wages earned in "work release" program shall not be charged to any employer.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 8 (c) of Article 95A of the Annotated Code of Maryland (1969 Replacement Volume and 1971 Supplement), title "Unemployment Insurance Law," subtitle "Contributions," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

8. Payment; rate; records; merit rating; payments in lieu of contributions.

(c) *Experience rating.*—Each employer shall pay contributions with respect to employment during any fiscal year prior to July 1, 1964, as required by this article prior to July 1, 1964, and each employer shall pay contributions at the standard rate of two and seven-tenths (2.7) percent of wages paid by him during the fiscal year beginning July 1, 1964, and during each fiscal year thereafter with respect to employment occurring after June 30, 1964, except as otherwise provided herein.

(1) For taxable periods beginning on and after January 1, 1972, each employer who has not been subject to this article for a sufficient period of time to have his rate computed under the provisions hereof shall pay contributions at a rate not exceeding 2.7 percent, that is the higher of (a) 1.0 percent, or (b) the State's five-year benefit cost rate. For purposes of this paragraph, the State's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of regular benefits and one half of any extended benefits paid to claimants under this article during the five consecutive calendar years immediately preceding the computation date by the total dollar amount of wages subject to contributions under this article during the same period.

(2) The Executive Director shall maintain an experience-rating record for each employer. Nothing in this article shall be construed to grant to any employer or to individuals performing services for him prior claims or rights to the amounts paid by the employer into the fund.

Except as required by paragraph (1) of this subsection, benefits paid shall be charged against employer experience-rating records as hereafter specified.