

House Bill No. 798

AN ACT concerning

Unemployment Insurance - Charging and Taxation - Benefits - Oversight Committee

FOR the purpose of altering the unemployment insurance charging and taxation system; altering the standard rate of contribution that certain employing units are required to pay; increasing the maximum weekly unemployment insurance benefit amount; increasing the amount of wages used to compute a claimant's weekly benefit amount for partial benefits; establishing a certain oversight committee; requiring the committee to report to the Governor and the General Assembly on or before certain dates; providing for the application of this Act; providing for the termination of certain provisions of this Act; defining a certain term; altering a certain definition; and generally relating to the unemployment insurance charging and taxation system and benefits and the establishment of a Committee on Unemployment Insurance Oversight.

BY repealing and reenacting, with amendments,

Article - Labor and Employment

Section 8-608, 8-609(a) and (b), 8-610(c), 8-612, and 8-803

Annotated Code of Maryland

(1999 Replacement Volume and 2004 Supplement)

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

Article - Labor and Employment

8-608.

(A) IN THIS SUBTITLE, "STANDARD RATE" MEANS THE MAXIMUM RATE IN THE APPLICABLE TABLE OF ~~BASIC~~ RATES UNDER § 8-612(D) OF THIS SUBTITLE.

(B) Except as otherwise provided in this subtitle, an employing unit shall pay contributions at the standard rate [of 7.5% of] APPLIED TO the taxable wage base.

8-609.

(a) (1) In this section the following terms have the meanings indicated.

(2) "New employer" means an employing unit that does not qualify for an earned rate under § 8-610 of this subtitle.

(3) "Employer industry category" means the [2-digit standard industry classification code] 6-DIGIT NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM promulgated by the Federal Office of Management and Budget.

(b) A new employer shall pay contributions at a rate that does not exceed [2.3%] 2.6% of the taxable wage base, and that is the highest of: