

employers; deleting certain provisions of current law; and generally relating to contribution rates under the unemployment insurance tax law.

BY repealing

Article 95A - Unemployment Insurance Law
Section 8(c)(6)
Annotated Code of Maryland
(1979 Replacement Volume and 1983 Supplement)

BY adding to

Article 95A - Unemployment Insurance Law
Section 8(c)(6)
Annotated Code of Maryland
(1979 Replacement Volume and 1983 Supplement)

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

Article 95A - Unemployment Insurance Law

8.

(c) 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.

[(6) If an employing unit alters its legal status, such as by changing from a sole proprietorship or a partnership to a corporation, or if an employing unit otherwise changes its trade name or business identity and the enterprise remains under substantially the same ownership, the Executive Director shall combine the experience-rating records of the two employing units and shall for purposes of rate determination transfer to the successor employer the payroll record and the benefit charges of the predecessor. In the event the predecessor remains in business and has employment after the date of the transfer, the predecessor shall be regarded for experience-rating purposes as a new employer. Provided, that the payroll record and benefit charges of the predecessor shall be charged to the new employing unit or employing units in the same proportion as the payroll record of the unit being transferred has to the total business of the predecessor.

The successor employer shall be liable for the contributions for such business from the date the transfer occurred.