

CHAPTER 141

(House Bill 267)

AN ACT concerning

Unemployment Insurance – Collateral Rate for Reimbursing Employers

FOR the purpose of modifying the manner in which certain required collateral for unemployment insurance is calculated for certain persons; and generally relating to required collateral for unemployment insurance.

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 8-618(c)

Annotated Code of Maryland

(1991 Volume)

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

Article – Labor and Employment

8-618.

(c) (1) If a not for profit organization has [26 or more employees] ~~\$175,000 OR MORE IN TAXABLE WAGES~~ TAXABLE WAGES FOR THE PRECEDING CALENDAR YEAR THAT EQUAL OR EXCEED 25 TIMES THE TAXABLE WAGE BASE IN EFFECT FOR THAT CALENDAR YEAR, the amount of collateral required under this section shall equal 5.4% of the taxable wages paid by the not for profit organization for covered employment for the 4 calendar quarters immediately preceding the most recent of the following:

- (i) the effective date of the election;
- (ii) the biennial anniversary of the effective date of the election if the collateral is other than a bond; or
- (iii) the renewal date of a bond if the collateral is a bond.

(2) If a not for profit organization has [25 or fewer employees] ~~LESS THAN \$175,000 IN TAXABLE WAGES~~ TAXABLE WAGES FOR THE PRECEDING CALENDAR YEAR THAT ARE LESS THAN 25 TIMES THE TAXABLE WAGE BASE IN EFFECT FOR THAT CALENDAR YEAR, the amount of collateral required under this section shall equal 2.7% of the taxable wages paid by the not for profit organization for covered employment for the 4 calendar quarters immediately preceding the most recent of the following:

- (i) the effective date of the election;