

# HOUSE BILL 154

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11r0514

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By: **Delegate Krebs**

Introduced and read first time: January 26, 2011

Assigned to: Economic Matters

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Committee Report: Favorable

House action: Adopted

Read second time: March 31, 2011

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Unemployment Insurance – Religious Organizations – Disclosure of**  
3 **Exemption from Covered Employment**

4 FOR the purpose of requiring certain employers to give certain notice, through a  
5 universal disclosure form, to employees whose employment is not covered  
6 employment for purposes of unemployment insurance benefits; requiring certain  
7 employers to require certain employees to sign the universal disclosure form;  
8 requiring the Department of Labor, Licensing, and Regulation to create the  
9 universal disclosure form and post the form on the Department's Web site; and  
10 generally relating to disclosure of exemption from covered employment by  
11 religious organizations.

12 BY repealing and reenacting, with amendments,  
13 Article – Labor and Employment  
14 Section 8–208  
15 Annotated Code of Maryland  
16 (2008 Replacement Volume and 2010 Supplement)

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

19 **Article – Labor and Employment**

20 8–208.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) Except as otherwise provided in this subtitle, employment is covered  
2 employment if the employment is:

3 (1) performed for a charitable, educational, religious, or other  
4 organization; and

5 (2) excluded from the definition of “employment” in the Federal  
6 Unemployment Tax Act solely by § 3306(c)(8) of the Act.

7 (b) Employment is not covered employment if the employment is performed  
8 for:

9 (1) a church or an association or convention of churches; or

10 (2) an organization that is:

11 (i) operated primarily for religious purposes; and

12 (ii) controlled, operated, principally supported, or supervised by  
13 a church or an association or convention of churches.

14 (c) Employment is not covered employment if the employment is performed  
15 by:

16 (1) a commissioned, licensed, or ordained minister of a church in the  
17 exercise of the ministry; or

18 (2) a member of a religious order in the exercise of duties required by  
19 the order.

20 (d) During any calendar quarter in which the compensation is less than \$50,  
21 the employment is not covered employment if it is performed for an organization that  
22 is exempt from income tax under:

23 (1) § 501(a) of the Internal Revenue Code unless the organization is  
24 described in § 401(a) of the Internal Revenue Code; or

25 (2) § 521 of the Internal Revenue Code.

26 **(E) (1) UNLESS THE EMPLOYER HAS ELECTED TO BE SUBJECT TO**  
27 **THIS TITLE UNDER § 8–203 OF THIS SUBTITLE, AN EMPLOYER OF AN EMPLOYEE**  
28 **WHOSE EMPLOYMENT IS NOT COVERED EMPLOYMENT UNDER SUBSECTION (B)**  
29 **OF THIS SECTION SHALL:**

30 **(I) GIVE NOTICE TO THE EMPLOYEE, THROUGH A**  
31 **UNIVERSAL DISCLOSURE FORM, THAT THE EMPLOYMENT IS NOT COVERED**

1 EMPLOYMENT AND THAT THE EMPLOYEE WILL NOT BE ELIGIBLE FOR  
2 UNEMPLOYMENT INSURANCE BENEFITS; AND

3 (II) REQUIRE THE EMPLOYEE TO SIGN THE UNIVERSAL  
4 DISCLOSURE FORM.

5 (2) THE DEPARTMENT SHALL:

6 (I) CREATE A UNIVERSAL DISCLOSURE FORM THAT IS TO BE  
7 USED BY EMPLOYERS FOR THE PURPOSES SPECIFIED UNDER PARAGRAPH (1) OF  
8 THIS SUBSECTION; AND

9 (II) POST THE UNIVERSAL DISCLOSURE FORM ON THE  
10 DEPARTMENT'S WEB SITE.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 October 1, 2011.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.