

SENATE BILL 300

K2

EMERGENCY BILL

0lr1574

By: **Senators Peters, DeGrange, Edwards, King, and Robey**

Introduced and read first time: January 27, 2010

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance – Contributions – Installment Payment Option**

3 FOR the purpose of allowing certain employing units to pay to the Secretary of Labor,
4 Licensing, and Regulation certain contributions in a certain manner during a
5 certain period of time; requiring the Department of Labor, Licensing, and
6 Regulation to notify certain employing units of a certain option to pay certain
7 contributions in a certain manner during a certain period of time; providing for
8 the application of this Act; making this Act an emergency measure; and
9 generally relating to the payment of unemployment insurance contributions.

10 BY repealing and reenacting, without amendments,
11 Article – Labor and Employment
12 Section 8–101(a), (k), and (p), 8–607(a), (c), and (d)(1) and (2), and 8–626
13 Annotated Code of Maryland
14 (2008 Replacement Volume and 2009 Supplement)

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

17 **Article – Labor and Employment**

18 8–101.

19 (a) In this title the following words have the meanings indicated.

20 (k) “Contributions” means money required to be paid to the Unemployment
21 Insurance Fund under § 8–607 of this title.

22 (p) “Employing unit” means:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) an employer that has at least 1 employee engaged in covered
2 employment for at least part of a day;

3 (2) an employer that has elected to become subject to this title under §
4 8–203 of this title; or

5 (3) an employer that is not otherwise subject to this title but that:

6 (i) within the current or preceding calendar year, is liable for
7 any federal tax against which credit may be taken for contributions required to be paid
8 into a State unemployment fund; or

9 (ii) as a condition for approval for full credit of contributions
10 against the tax imposed by the Federal Unemployment Tax Act, is required by that
11 Act to be an employing unit.

12 8–607.

13 (a) Except as provided in Part III of this subtitle, an employing unit shall
14 pay to the Secretary contributions for the Unemployment Insurance Fund on taxable
15 wages for covered employment that is performed for the employing unit.

16 (c) (1) The Secretary shall determine the rate of contribution for each
17 employing unit as of the computation date for the next calendar year.

18 (2) The rate of contribution is effective for 1 calendar year.

19 (d) (1) By regulation, the Secretary shall set:

20 (i) the date when contributions are due; and

21 (ii) the manner in which contributions are to be paid.

22 (2) In accordance with regulations adopted by the Secretary, an
23 employing unit shall:

24 (i) submit to the Secretary periodic reports for determination of
25 the amount of contributions due; and

26 (ii) pay the contribution.

27 8–626.

28 (a) For each calendar quarter, each employing unit shall submit to the
29 Secretary a contribution and employment report on or before the date that the
30 Secretary sets.

1 (b) An employing unit shall include in a contribution and employment report
2 information that the Secretary requires.

3 (c) (1) An employing unit that fails to submit a contribution and
4 employment report under this section is subject to a penalty of \$35 unless the
5 Secretary waives the penalty for cause.

6 (2) An employing unit that submits a check or other negotiable
7 instrument in payment of any penalty under this subsection which is returned for
8 insufficient funds is subject to an additional penalty of \$25.

9 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding §
10 8–607(d) of the Labor and Employment Article, an employing unit that is required
11 under § 8–607(a) of the Labor and Employment Article to submit contribution and
12 employment reports on taxable wages for covered employment performed for the
13 employing unit during calendar year 2010 may pay to the Secretary of Labor,
14 Licensing, and Regulation the employing unit’s total calendar year 2010 contributions
15 requirement in a manner that spreads the payments of the employing unit’s total
16 calendar year 2010 contributions in monthly or quarterly installments throughout
17 calendar year 2010.

18 SECTION 3. AND BE IT FURTHER ENACTED, That, within 20 days of the
19 enactment of this Act, the Department of Labor, Licensing, and Regulation shall notify
20 employing units of the option to pay to the Secretary of Labor, Licensing, and
21 Regulation their total calendar year 2010 contributions requirement in monthly or
22 quarterly installments throughout calendar year 2010.

23 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall be applied
24 to and interpreted to affect contributions that employing units are required to pay on
25 taxable wages for covered employment performed for the employing unit during the
26 calendar year that begins January 1, 2010.

27 SECTION 5. AND BE IT FURTHER ENACTED, That this Act is an emergency
28 measure, is necessary for the immediate preservation of the public health or safety,
29 has been passed by a ye and nay vote supported by three–fifths of all the members
30 elected to each of the two Houses of the General Assembly, and shall take effect from
31 the date it is enacted.