

HOUSE BILL 205

K2

(PRE-FILED)

4r0831
CF SB 104

By: **Delegate Charkoudian**

Requested: October 3, 2023

Introduced and read first time: January 10, 2024

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance Modernization Act of 2024**

3 FOR the purpose of repealing and establishing the methodology used to calculate the
4 weekly benefit amount; altering the taxable wage base used to determine employer
5 contributions to the Unemployment Insurance Trust Fund, the dependent allowance,
6 and the amount of earned wages subtracted from a weekly benefit amount; requiring
7 the Maryland Department of Labor, on or before a certain date each year, to
8 determine and make available online the State annual average wage applicable to
9 the rate of contribution; requiring the Secretary of Labor to set the taxable wage base
10 and the maximum weekly benefit amount in a certain manner for certain years;
11 prohibiting the applicable table of rates from shifting more than a certain number of
12 tables under certain circumstances; altering the circumstances under which an
13 employing unit qualifies for an earned rate of contribution; altering the
14 circumstances under which an individual is eligible for unemployment benefits; and
15 generally relating to unemployment insurance.

16 BY repealing

17 Article – Labor and Employment

18 Section 8–803

19 Annotated Code of Maryland

20 (2016 Replacement Volume and 2023 Supplement)

21 BY repealing and reenacting, without amendments,

22 Article – Labor and Employment

23 Section 8–606(a) and (d)

24 Annotated Code of Maryland

25 (2016 Replacement Volume and 2023 Supplement)

26 BY repealing and reenacting, with amendments,

27 Article – Labor and Employment

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 8–607(b), (c), and (d)(1), 8–610(a) and (c), 8–612, 8–802, and 8–804
2 Annotated Code of Maryland
3 (2016 Replacement Volume and 2023 Supplement)

4 BY adding to
5 Article – Labor and Employment
6 Section 8–803
7 Annotated Code of Maryland
8 (2016 Replacement Volume and 2023 Supplement)

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
10 That Section(s) 8–803 of Article – Labor and Employment of the Annotated Code of
11 Maryland be repealed.

12 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
13 as follows:

14 **Article – Labor and Employment**

15 8–606.

16 (a) In this Part II of this subtitle the following words have the meanings
17 indicated.

18 (d) (1) Except as provided in paragraph (2) of this subsection, “computation
19 date” means the July 1 immediately preceding the calendar year for which a rate of
20 contribution is assigned.

21 (2) For the period beginning March 5, 2020, through the second July 1 after
22 the expiration of the State of Emergency declared by the Governor due to the COVID–19
23 pandemic, both inclusive, “computation date” means July 1, 2019, if that date results in a
24 lower rate of contribution.

25 8–607.

26 (b) (1) Subject to paragraph (2) of this subsection, the taxable wage base is the
27 [first \$8,500 in wages] **AMOUNT SET UNDER SUBSECTION (C)(3) OF THIS SECTION** that:

28 (i) an employing unit pays to each employee for covered employment
29 during a calendar year;

30 (ii) an employing unit pays to each employee for covered employment
31 in this State and another state during a calendar year if the employee was continuously
32 employed immediately before and after a transfer of a business from another state during
33 a calendar year;

34 (iii) a reorganized employer pays to each employee for covered

1 employment if the employee was continuously employed immediately before and after the
2 reorganization in a calendar year and if the contribution rate of the reorganized employer
3 is based on the experience with payrolls and benefit charges of the employing unit before
4 the reorganization in accordance with § 8–613(b) of this subtitle; or

5 (iv) an employing unit or predecessor employer or combination of
6 both pays to each employee for covered employment during a calendar year if the payrolls
7 and benefit charges of the predecessor employing unit are transferred to the successor
8 employing unit in accordance with § 8–613(d) or (e) of this subtitle.

9 (2) If the Federal Unemployment Tax Act or any other federal tax law that
10 allows a credit for a contribution to a state unemployment insurance fund increases the
11 maximum amount of wages taxable under that law in a calendar year to **AN AMOUNT THAT**
12 **IS more than [\$8,500] THE PERCENTAGE OF THE AVERAGE ANNUAL WAGE FOR**
13 **EMPLOYEES IN THE STATE SET UNDER SUBSECTION (C)(3) OF THIS SECTION**, the
14 taxable wage base under paragraph (1) of this subsection shall be the same as under the
15 federal law.

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 (3) (I) **ON OR BEFORE JANUARY 31 EACH YEAR, THE DEPARTMENT**
20 **SHALL:**

21 1. **DETERMINE THE AVERAGE ANNUAL WAGE FOR**
22 **EMPLOYEES IN THE STATE DURING THE CALENDAR YEAR OF THE COMPUTATION**
23 **DATE; AND**

24 2. **MAKE AVAILABLE ON ITS WEBSITE THE AVERAGE**
25 **ANNUAL WAGE FOR EMPLOYEES IN THE STATE APPLICABLE TO THE RATE OF**
26 **CONTRIBUTION.**

27 (II) 1. **THE SECRETARY SHALL ANNUALLY SET THE TAXABLE**
28 **WAGE BASE AS AN INCREASING PERCENTAGE OF THE AVERAGE ANNUAL WAGE FOR**
29 **EMPLOYEES IN THE STATE UNTIL THE TAXABLE WAGE BASE PROVIDED UNDER**
30 **SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH IS IN EFFECT.**

31 2. **BEGINNING CALENDAR YEAR 2027 AND EACH**
32 **CALENDAR YEAR THEREAFTER, THE TAXABLE WAGE BASE SHALL BE 25% OF THE**
33 **AVERAGE ANNUAL WAGE FOR EMPLOYEES IN THE STATE.**

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

1 (i) **THE TAXABLE WAGE BASE;**
2 **(II)** the date when contributions are due; and
3 **[(ii)] (III)** subject to § 8–607.1 of this subtitle, the manner in which
4 contributions are to be paid.
5 8–612.

6 (a) (1) Subject to paragraph (2) of this subsection, on the basis of the earned
7 rating record of an employing unit that qualifies for an earned rate of contribution under §
8 8–610 of this subtitle, the Secretary shall compute to the 4th decimal place a benefit ratio
9 for the employing unit in accordance with subsection (b) or (c) of this section.

10 (2) The Secretary may not assign an earned rate of contribution that is less
11 than 0.3% or more than 13.5%.

12 (b) For an employing unit that qualifies under § 8–610(a)(2) of this subtitle, the
13 Secretary shall compute a benefit ratio by:

14 (1) adding the regular, work sharing, and extended benefits that were
15 chargeable to the earned rating record of the employing unit and paid during the 3 rating
16 years immediately preceding the computation date; and

17 (2) dividing the figure determined under item (1) of this subsection by the
18 total of the reported taxable wages for the same period.

19 (c) For an employing unit that qualifies under § 8–610(a)(3) of this subtitle, the
20 Secretary shall compute a benefit ratio for the employing unit by:

21 (1) adding the regular, work sharing, and extended benefits that were
22 chargeable to the earned rating record of the employing unit and paid during the period
23 beginning with the 1st day of the calendar quarter in which the employing unit first became
24 subject to this title and ending on the June 30 immediately preceding the computation date;
25 and

26 (2) dividing the figure obtained under item (1) of this subsection by the
27 total of the reported taxable wages for the same period.

28 (d) (1) Except as provided in [subsection] **SUBSECTIONS (f) AND (G)** of this
29 section, for any calendar year beginning on or after January 1, **[2006] 2025**, when the
30 Unemployment Insurance Fund balance on September 30 of the immediately preceding
31 calendar year exceeds 5% of the total taxable wages in covered employment for the 4
32 completed calendar quarters immediately preceding September 30, the Table of Rates in
33 this paragraph of this subsection shall apply.

| 1 | Employing | Employing |
|----|--------------------------|-----------|
| 2 | Unit's Benefit | Unit's |
| 3 | Ratio | Rate |
| 4 | (1) .0000 — | 0.30% |
| 5 | (2) .0001 — .0027 | 0.60% |
| 6 | (3) .0028 — .0054 | 0.90% |
| 7 | (4) .0055 — .0081 | 1.20% |
| 8 | (5) .0082 — .0108 | 1.50% |
| 9 | (6) .0109 — .0135 | 1.80% |
| 10 | (7) .0136 — .0162 | 2.10% |
| 11 | (8) .0163 — .0189 | 2.40% |
| 12 | (9) .0190 — .0216 | 2.70% |
| 13 | (10) .0217 — .0243 | 3.00% |
| 14 | (11) .0244 — .0270 | 3.30% |
| 15 | (12) .0271 — .0297 | 3.60% |
| 16 | (13) .0298 — .0324 | 3.90% |
| 17 | (14) .0325 — .0351 | 4.20% |
| 18 | (15) .0352 — .0378 | 4.50% |
| 19 | (16) .0379 — .0405 | 4.80% |
| 20 | (17) .0406 — .0432 | 5.10% |
| 21 | (18) .0433 — .0459 | 5.40% |
| 22 | (19) .0460 — .0486 | 5.70% |
| 23 | (20) .0487 — .0513 | 6.00% |
| 24 | (21) .0514 — .0540 | 6.30% |

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|---|------|------------------------|-------|
| 1 | (22) | .0541 — .0567 | 6.60% |
| 2 | (23) | .0568 — .0594 | 6.90% |
| 3 | (24) | .0595 — .0621 | 7.20% |
| 4 | (25) | .0622 — and over | 7.50% |

5 (2) Except as provided in [subsection] **SUBSECTIONS (f) AND (G)** of this
6 section, for any calendar year beginning on or after January 1, [2006] **2025**, when the
7 Unemployment Insurance Fund balance on September 30 of the immediately preceding
8 calendar year exceeds 4.5%, but is not in excess of 5% of the total taxable wages in covered
9 employment for the 4 completed calendar quarters immediately preceding September 30,
10 the Table of Rates in this paragraph of this subsection shall apply.

Table of Rates – Table B

| 12 | Employing | | Employing |
|----|----------------|---------------------|-----------|
| 13 | Unit's Benefit | | Unit's |
| 14 | Ratio | | Rate |
| 15 | (1) | .0000 — | 0.60% |
| 16 | (2) | .0001 — .0027 | 0.90% |
| 17 | (3) | .0028 — .0054 | 1.20% |
| 18 | (4) | .0055 — .0081 | 1.50% |
| 19 | (5) | .0082 — .0108 | 1.80% |
| 20 | (6) | .0109 — .0135 | 2.10% |
| 21 | (7) | .0136 — .0162 | 2.40% |
| 22 | (8) | .0163 — .0189 | 2.70% |
| 23 | (9) | .0190 — .0216 | 3.00% |
| 24 | (10) | .0217 — .0243 | 3.30% |
| 25 | (11) | .0244 — .0270 | 3.60% |
| 26 | (12) | .0271 — .0297 | 3.90% |
| 27 | (13) | .0298 — .0324 | 4.20% |

| | | | |
|----|------|------------------------|-------|
| 1 | (14) | .0325 — .0351 | 4.50% |
| 2 | (15) | .0352 — .0378 | 4.80% |
| 3 | (16) | .0379 — .0405 | 5.10% |
| 4 | (17) | .0406 — .0432 | 5.40% |
| 5 | (18) | .0433 — .0459 | 5.70% |
| 6 | (19) | .0460 — .0486 | 6.00% |
| 7 | (20) | .0487 — .0513 | 6.30% |
| 8 | (21) | .0514 — .0540 | 6.60% |
| 9 | (22) | .0541 — .0567 | 6.90% |
| 10 | (23) | .0568 — .0594 | 7.20% |
| 11 | (24) | .0595 — .0621 | 7.50% |
| 12 | (25) | .0622 — .0648 | 7.80% |
| 13 | (26) | .0649 — .0675 | 8.10% |
| 14 | (27) | .0676 — .0702 | 8.40% |
| 15 | (28) | .0703 — .0729 | 8.70% |
| 16 | (29) | .0730 — and over | 9.00% |

17 (3) Except as provided in [subsection] **SUBSECTIONS (f) AND (g)** of this
 18 section, for any calendar year beginning on or after January 1, **[2006] 2025**, when the
 19 Unemployment Insurance Fund balance on September 30 of the immediately preceding
 20 calendar year exceeds 4%, but is not in excess of 4.5% of the total taxable wages in covered
 21 employment for the 4 completed calendar quarters immediately preceding September 30,
 22 the Table of Rates in this paragraph of this subsection shall apply.

23 Table of Rates – Table C

| | | | |
|----|----------------|---------------|-----------|
| 24 | Employing | | Employing |
| 25 | Unit's Benefit | | Unit's |
| 26 | Ratio | | Rate |
| 27 | (1) | .0000 — | 1.00% |

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|----|------|---------------------|-------|
| 1 | (2) | .0001 — .0027 | 1.50% |
| 2 | (3) | .0028 — .0054 | 1.80% |
| 3 | (4) | .0055 — .0081 | 2.10% |
| 4 | (5) | .0082 — .0108 | 2.40% |
| 5 | (6) | .0109 — .0135 | 2.70% |
| 6 | (7) | .0136 — .0162 | 3.00% |
| 7 | (8) | .0163 — .0189 | 3.30% |
| 8 | (9) | .0190 — .0216 | 3.60% |
| 9 | (10) | .0217 — .0243 | 3.90% |
| 10 | (11) | .0244 — .0270 | 4.20% |
| 11 | (12) | .0271 — .0297 | 4.50% |
| 12 | (13) | .0298 — .0324 | 4.80% |
| 13 | (14) | .0325 — .0351 | 5.10% |
| 14 | (15) | .0352 — .0378 | 5.40% |
| 15 | (16) | .0379 — .0405 | 5.70% |
| 16 | (17) | .0406 — .0432 | 6.00% |
| 17 | (18) | .0433 — .0459 | 6.30% |
| 18 | (19) | .0460 — .0486 | 6.60% |
| 19 | (20) | .0487 — .0513 | 6.90% |
| 20 | (21) | .0514 — .0540 | 7.20% |
| 21 | (22) | .0541 — .0567 | 7.50% |
| 22 | (23) | .0568 — .0594 | 7.80% |
| 23 | (24) | .0595 — .0621 | 8.10% |
| 24 | (25) | .0622 — .0648 | 8.40% |

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| | | | |
|----|------|---------------------|--------|
| 1 | (11) | .0244 — .0270 | 4.80% |
| 2 | (12) | .0271 — .0297 | 5.10% |
| 3 | (13) | .0298 — .0324 | 5.40% |
| 4 | (14) | .0325 — .0351 | 5.70% |
| 5 | (15) | .0352 — .0378 | 6.00% |
| 6 | (16) | .0379 — .0405 | 6.30% |
| 7 | (17) | .0406 — .0432 | 6.60% |
| 8 | (18) | .0433 — .0459 | 6.90% |
| 9 | (19) | .0460 — .0486 | 7.20% |
| 10 | (20) | .0487 — .0513 | 7.50% |
| 11 | (21) | .0514 — .0540 | 7.80% |
| 12 | (22) | .0541 — .0567 | 8.10% |
| 13 | (23) | .0568 — .0594 | 8.40% |
| 14 | (24) | .0595 — .0621 | 8.70% |
| 15 | (25) | .0622 — .0648 | 9.00% |
| 16 | (26) | .0649 — .0675 | 9.30% |
| 17 | (27) | .0676 — .0702 | 9.60% |
| 18 | (28) | .0703 — .0729 | 9.90% |
| 19 | (29) | .0730 — .0756 | 10.20% |
| 20 | (30) | .0757 — .0783 | 10.50% |
| 21 | (31) | .0784 — .0810 | 10.80% |
| 22 | (32) | .0811 — .0837 | 11.10% |
| 23 | (33) | .0838 — .0864 | 11.40% |

1 (34) .0865 — .0891 11.70%

2 (35) .0892 — and over11.80%

3 (5) Except as provided in [subsection] SUBSECTIONS (f) AND (G) of this
4 section, for any calendar year beginning on or after January 1, [2006] 2025, when the
5 Unemployment Insurance Fund balance on September 30 of the immediately preceding
6 calendar year exceeds 3%, but is not in excess of 3.5% of the total taxable wages in covered
7 employment for the 4 completed calendar quarters immediately preceding September 30,
8 the Table of Rates in this paragraph of this subsection shall apply.

9 Table of Rates – Table E

| 10 11 12 | Employing Unit's Benefit Ratio | Employing Unit's Rate |
|----------------|--------------------------------------|-----------------------------|
| 13 | (1) .0000 — | 1.80% |
| 14 | (2) .0001 — .0027 | 2.60% |
| 15 | (3) .0028 — .0054 | 2.90% |
| 16 | (4) .0055 — .0081 | 3.20% |
| 17 | (5) .0082 — .0108 | 3.50% |
| 18 | (6) .0109 — .0135 | 3.80% |
| 19 | (7) .0136 — .0162 | 4.10% |
| 20 | (8) .0163 — .0189 | 4.40% |
| 21 | (9) .0190 — .0216 | 4.70% |
| 22 | (10) .0217 — .0243 | 5.00% |
| 23 | (11) .0244 — .0270 | 5.30% |
| 24 | (12) .0271 — .0297 | 5.60% |
| 25 | (13) .0298 — .0324 | 5.90% |
| 26 | (14) .0325 — .0351 | 6.20% |
| 27 | (15) .0352 — .0378 | 6.50% |

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|----|------|------------------------|--------|
| 1 | (16) | .0379 — .0405 | 6.80% |
| 2 | (17) | .0406 — .0432 | 7.10% |
| 3 | (18) | .0433 — .0459 | 7.40% |
| 4 | (19) | .0460 — .0486 | 7.70% |
| 5 | (20) | .0487 — .0513 | 8.00% |
| 6 | (21) | .0514 — .0540 | 8.30% |
| 7 | (22) | .0541 — .0567 | 8.60% |
| 8 | (23) | .0568 — .0594 | 8.90% |
| 9 | (24) | .0595 — .0621 | 9.20% |
| 10 | (25) | .0622 — .0648 | 9.50% |
| 11 | (26) | .0649 — .0675 | 9.80% |
| 12 | (27) | .0676 — .0702 | 10.10% |
| 13 | (28) | .0703 — .0729 | 10.40% |
| 14 | (29) | .0730 — .0756 | 10.70% |
| 15 | (30) | .0757 — .0783 | 11.00% |
| 16 | (31) | .0784 — .0810 | 11.30% |
| 17 | (32) | .0811 — .0837 | 11.60% |
| 18 | (33) | .0838 — .0864 | 11.90% |
| 19 | (34) | .0865 — .0891 | 12.20% |
| 20 | (35) | .0892 — .0918 | 12.50% |
| 21 | (36) | .0919 — .0945 | 12.80% |
| 22 | (37) | .0946 — and over | 12.90% |

23 (6) Except as provided in [subsection] **SUBSECTIONS (f) AND (G)** of this
24 section, for any calendar year beginning on or after January 1, [2006] **2025**, when the
25 Unemployment Insurance Fund balance on September 30 of the immediately preceding

1 calendar year is not in excess of 3% of the total taxable wages in covered employment for
2 the 4 completed calendar quarters immediately preceding September 30, the Table of Rates
3 in this paragraph of this subsection shall apply.

4 Table of Rates – Table F

| 5 6 7 | Employing Unit's Benefit Ratio | Employing Unit's Rate |
|-------------|--------------------------------------|-----------------------------|
| 8 | (1) .0000 — | 2.20% |
| 9 | (2) .0001 — .0027 | 3.10% |
| 10 | (3) .0028 — .0054 | 3.40% |
| 11 | (4) .0055 — .0081 | 3.70% |
| 12 | (5) .0082 — .0108 | 4.00% |
| 13 | (6) .0109 — .0135 | 4.30% |
| 14 | (7) .0136 — .0162 | 4.60% |
| 15 | (8) .0163 — .0189 | 4.90% |
| 16 | (9) .0190 — .0216 | 5.20% |
| 17 | (10) .0217 — .0243 | 5.50% |
| 18 | (11) .0244 — .0270 | 5.80% |
| 19 | (12) .0271 — .0297 | 6.10% |
| 20 | (13) .0298 — .0324 | 6.40% |
| 21 | (14) .0325 — .0351 | 6.70% |
| 22 | (15) .0352 — .0378 | 7.00% |
| 23 | (16) .0379 — .0405 | 7.30% |
| 24 | (17) .0406 — .0432 | 7.60% |
| 25 | (18) .0433 — .0459 | 7.90% |
| 26 | (19) .0460 — .0486 | 8.20% |

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|----|------|------------------------|--------|
| 1 | (20) | .0487 — .0513 | 8.50% |
| 2 | (21) | .0514 — .0540 | 8.80% |
| 3 | (22) | .0541 — .0567 | 9.10% |
| 4 | (23) | .0568 — .0594 | 9.40% |
| 5 | (24) | .0595 — .0621 | 9.70% |
| 6 | (25) | .0622 — .0648 | 10.00% |
| 7 | (26) | .0649 — .0675 | 10.30% |
| 8 | (27) | .0676 — .0702 | 10.60% |
| 9 | (28) | .0703 — .0729 | 10.90% |
| 10 | (29) | .0730 — .0756 | 11.20% |
| 11 | (30) | .0757 — .0783 | 11.50% |
| 12 | (31) | .0784 — .0810 | 11.80% |
| 13 | (32) | .0811 — .0837 | 12.10% |
| 14 | (33) | .0838 — .0864 | 12.40% |
| 15 | (34) | .0865 — .0891 | 12.70% |
| 16 | (35) | .0892 — .0918 | 13.00% |
| 17 | (36) | .0919 — .0945 | 13.30% |
| 18 | (37) | .0946 — and over | 13.50% |

19 (e) For the purpose of making any computation under this section:

20 (1) money that has been credited to the account of the State in the
 21 Unemployment Trust Fund under § 903 of the Social Security Act and that has been
 22 appropriated for expenses of administration, whether or not withdrawn from the account,
 23 shall be excluded from the total amount available for benefits in the Unemployment
 24 Insurance Fund; and

25 (2) the total amount available for benefits in the Unemployment Insurance
 26 Fund includes:

1 (i) money receivable by the Unemployment Insurance Fund as
 2 federal reimbursement for shareable benefits under the Federal–State Extended
 3 Unemployment Compensation Act of 1970;

4 (ii) all advance payments made to the Unemployment Insurance
 5 Fund on behalf of eligible employing units who elect to make reimbursement payments;
 6 and

7 (iii) money receivable by the Unemployment Insurance Fund from an
 8 eligible employing unit who elects to make reimbursement payments.

9 (f) For any calendar year beginning on or after January 1, 2017, the Table of
 10 Rates in effect for the immediately preceding calendar year shall continue to apply if:

11 (1) the Unemployment Insurance Fund balance on September 30 of the
 12 immediately preceding calendar year was at a level that would result in a Table of Rates
 13 that had lower rates being applied under subsection (d) of this section; and

14 (2) the federal funding goals requirement in 20 C.F.R. § 606.32 were not
 15 met as of December 31 of the second immediately preceding calendar year.

16 **(G) FOR ANY CALENDAR YEAR BEGINNING ON OR AFTER JANUARY 1, 2026,**
 17 **THE TABLE OF RATES IN EFFECT FOR A CALENDAR YEAR MAY NOT SHIFT MORE**
 18 **THAN TWO TABLES FROM THE TABLE OF RATES IN EFFECT FOR THE IMMEDIATELY**
 19 **PRECEDING CALENDAR YEAR, IF THE SHIFT WOULD RESULT IN A HIGHER EARNED**
 20 **RATE OF CONTRIBUTION.**

21 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
 22 as follows:

23 Article – Labor and Employment

24 8–610.

25 (a) (1) An employing unit that meets the qualifications of this subsection shall
 26 be assigned an earned rate of contribution that is based on the experience of the employing
 27 unit.

28 (2) An employing unit qualifies under this subsection if, during each of the
 29 [3] 5 rating years immediately preceding the computation date the employing unit:

30 (i) had an earned rating record that was chargeable with benefits;
 31 and

32 (ii) reports taxable wages as required by § 8–626 of this subtitle for

1 the [3] 5 rating years immediately preceding the computation date.

2 (3) An employing unit that does not qualify under paragraph (2) of this
3 subsection qualifies if:

4 (i) throughout the rating year immediately preceding the
5 computation date, the employing unit had an earned rating record that was chargeable
6 with benefits; and

7 (ii) during each of the [2] 4 rating years immediately preceding the
8 computation date, the employing unit reports taxable wages as required by § 8-626 of this
9 subtitle for the [2] 4 rating years immediately preceding the computation date.

10 (c) (1) If an employing unit has met each of the requirements to qualify for an
11 earned rate but files no contribution reports for any of the [3] 5 rating years immediately
12 preceding the computation date as required by § 8-626 of this subtitle, the Secretary shall
13 assign the employing unit the standard rate of contribution.

14 (2) Notwithstanding § 8-606(d)(2) of this subtitle, if the Secretary
15 determines that an employing unit or agency has established a pattern of failing to respond
16 timely or adequately for requests for information, the Secretary may use the computation
17 date as defined in § 8-606(d)(1) of this subtitle for purposes of determining an earned rate
18 of contribution.

19 8-612.

20 (b) For an employing unit that qualifies under § 8-610(a)(2) of this subtitle, the
21 Secretary shall compute a benefit ratio by:

22 (1) adding the regular, work sharing, and extended benefits that were
23 chargeable to the earned rating record of the employing unit and paid during the [3] 5
24 rating years immediately preceding the computation date; and

25 (2) dividing the figure determined under item (1) of this subsection by the
26 total of the reported taxable wages for the same period.

27 8-802.

28 An individual is eligible for benefits if, during the base period:

29 (1) the individual was paid wages of at least [the lower quarterly wage
30 amount in line 1 of the schedule of benefits in § 8-803 of this subtitle] **\$1,176** for covered
31 employment during the calendar quarter in which the individual's wages were highest; and

32 (2) the individual was paid wages for covered employment that, during at
33 least 2 calendar quarters combined, are at least 1.5 times [the upper limit of] the **AMOUNT**

1 OF wages [for the line in the schedule of benefits for which the individual qualifies]
2 SPECIFIED UNDER ITEM (1) OF THIS SECTION.

3 8-803.

4 (A) IN THIS SECTION, "STATE AVERAGE WEEKLY WAGE" MEANS THE
5 AVERAGE WEEKLY WAGE IN THE STATE, AS DETERMINED BY THE DEPARTMENT,
6 BASED ON THE WAGES IN TOTAL COVERED EMPLOYMENT FOR ALL EMPLOYERS IN
7 THE STATE FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR.

8 (B) (1) (I) THE WEEKLY BENEFIT AMOUNT PAYABLE TO A CLAIMANT
9 UNDER THIS SECTION SHALL BE AT LEAST 15% OF THE STATE AVERAGE WEEKLY
10 WAGE BUT NOT MORE THAN THE AMOUNT OF THE STATE AVERAGE WEEKLY WAGE
11 SET UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH.

12 (II) 1. THE SECRETARY SHALL ANNUALLY SET THE
13 MAXIMUM WEEKLY BENEFIT AMOUNT AS AN INCREASING PERCENTAGE OF THE
14 STATE AVERAGE WEEKLY WAGE UNTIL THE MAXIMUM WEEKLY BENEFIT AMOUNT
15 PROVIDED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH IS IN EFFECT.

16 2. BEGINNING CALENDAR YEAR 2027 AND EACH
17 CALENDAR YEAR THEREAFTER, THE MAXIMUM WEEKLY BENEFIT SHALL BE
18 TWO-THIRDS OF THE STATE AVERAGE WEEKLY WAGE.

19 3. THE SECRETARY SHALL ADOPT REGULATIONS TO
20 CARRY OUT THIS SUBPARAGRAPH.

21 (2) FOR PURPOSES OF DETERMINING THE MINIMUM AND MAXIMUM
22 WEEKLY BENEFIT AMOUNTS UNDER THIS SECTION, THE DEPARTMENT SHALL
23 CALCULATE AND UPDATE THE STATE AVERAGE WEEKLY WAGE ON JULY 1 EACH
24 YEAR.

25 (C) (1) FOR PURPOSES OF ASSIGNING A WEEKLY BENEFIT AMOUNT TO A
26 CLAIMANT, THE CLAIMANT'S WEEKLY BENEFIT AMOUNT SHALL BE COMPUTED BY
27 DIVIDING THE WAGES THAT THE CLAIMANT WAS PAID FOR COVERED EMPLOYMENT
28 IN THE CALENDAR QUARTER OF THE CLAIMANT'S BASE PERIOD IN WHICH THOSE
29 WAGES WERE THE HIGHEST BY 24.

30 (2) IN COMPUTING BENEFITS UNDER THIS SUBSECTION, A FRACTION
31 OF A DOLLAR SHALL BE ROUNDED TO THE NEXT HIGHER DOLLAR.

32 (D) THE WEEKLY BENEFIT AMOUNT CALCULATED UNDER THIS SECTION
33 THAT IS IN EFFECT ON THE FIRST DAY OF A CLAIMANT'S BENEFIT YEAR APPLIES TO

1 THE CLAIMANT THROUGHOUT THAT BENEFIT YEAR.

2 (E) (1) EXCEPT AS PROVIDED IN § 8-1207 OF THIS TITLE FOR THE WORK
3 SHARING PROGRAM, AN ELIGIBLE CLAIMANT SHALL BE PAID A WEEKLY BENEFIT
4 AMOUNT THAT IS COMPUTED BY:

5 (I) ASSIGNING THE CLAIMANT'S WEEKLY BENEFIT AMOUNT
6 UNDER SUBSECTION (C) OF THIS SECTION;

7 (II) ADDING ANY ALLOWANCE FOR A DEPENDENT TO WHICH THE
8 CLAIMANT IS ENTITLED UNDER § 8-804 OF THIS SUBTITLE; AND

9 (III) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,
10 SUBTRACTING ANY WAGES EXCEEDING \$250 PAYABLE TO THE CLAIMANT FOR THE
11 WEEK.

12 (2) EACH YEAR THE SECRETARY SHALL ADJUST THE AMOUNT OF
13 WAGES REQUIRED TO BE SUBTRACTED UNDER PARAGRAPH (1)(III) OF THIS
14 SUBSECTION FOR INFLATION.

15 (3) IN COMPUTING BENEFITS UNDER THIS SUBSECTION, A FRACTION
16 OF A DOLLAR SHALL BE ROUNDED TO THE NEXT HIGHER DOLLAR.

17 (F) ANY CHILD SUPPORT PAYMENT THAT IS REQUIRED UNDER § 8-807 OF
18 THIS SUBTITLE SHALL BE WITHHELD FROM BENEFITS.

19 8-804.

20 (a) (1) Subject to subsection (b) of this section, in addition to the weekly benefit
21 amount [in the schedule of benefits] ASSIGNED IN ACCORDANCE WITH § 8-803 OF THIS
22 SUBTITLE, a claimant shall be paid an allowance of [\$8] \$25 for each child, adopted child,
23 or stepchild of the claimant who, on the 1st day of the benefit year, is:

24 (i) wholly or partly supported by the claimant; and

25 (ii) under 16 years of age.

26 (2) A claimant shall submit to the Secretary the Social Security number or
27 copy of the birth certificate of each dependent for whom the claimant is to be paid an
28 allowance.

29 (b) (1) An allowance under this section is not payable:

30 (i) for more than 5 dependents of the claimant;

1 (ii) for longer than the number of weeks of benefits allowable to the
2 claimant for total unemployment; or

3 (iii) for any week in which an unemployment benefit is not payable
4 to the claimant.

5 (2) Benefits and the allowance under this section in any 1 week may not
6 exceed the [highest] **STATE MAXIMUM** weekly benefit amount [in the schedule of benefits],
7 **AS DETERMINED UNDER § 8-803 OF THIS SUBTITLE.**

8 **(3) EACH YEAR THE SECRETARY SHALL ADJUST THE AMOUNT OF THE**
9 **ALLOWANCE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION FOR INFLATION.**

10 (c) (1) The number of a claimant's dependents shall be determined as of the
11 1st day of the benefit year and shall be fixed for the duration of the benefit year.

12 (2) After an individual has been determined to be a dependent of a
13 claimant, the individual may not be considered to be a dependent of any other claimant
14 whose benefit year starts within 1 year after the determination.

15 (d) In the computation of a contribution rate under Part II of Subtitle 6 of this
16 title, an allowance for a dependent shall be considered a benefit.

17 (e) Notwithstanding subsection (d) of this section, an allowance for a dependent
18 may not be deducted from a claimant's benefit account.

19 SECTION 4. AND BE IT FURTHER ENACTED, That Sections 1 and 3 of this Act
20 shall take effect July 1, 2026.

21 SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section
22 4 of this Act, this Act shall take effect January 1, 2025.