

Maryland amends law for COVID-19

The State of Maryland has amended its Unemployment Insurance Law to comply with the provisions of federal law enacted in response to the COVID-19 pandemic. The bill provides flexibility to the Secretary of Labor to allow workers who have not been terminated to collect unemployment insurance if their employer has been closed due to COVID-19, if they have been quarantined, or if they are caring for a family member who is quarantined. The provisions of the act are effective March 19, 2020, through April 30, 2021 (*COVID-19 Public Health Emergency Protection Act of 2020*, Ch. 13, L. 2020).

Benefit charging. No employer will see an increase in their tax rate for 2020 due to COVID-19. Unemployment insurance benefits are proportionately charged to each employer based on the employee's earnings in their base period. Contributory employers may see an increase in their 2021 tax rate as a result of benefits paid due to COVID-19; however, tax rates are calculated based on benefits that have been charged to the employer account over the prior three years, ending on June 30. Thus, any benefits paid due to COVID-19 from March to June 2020 will comprise four months of the 36 months used to calculate the 2021 tax rate for employers.

In the event that a process for employers to apply for a waiver of charging of any benefits paid due to COVID-19, additional information will be provided outlining the requirements. Waivers will be reviewed on a case-by-case basis and approved as the law allows.

Direct reimbursement employers. Reimbursing employers are charged dollar for dollar for benefits paid to their former employees.

Eligibility. The Secretary of Labor may determine that an individual, who need not separate from the individual's employment, is eligible for benefits if:

- the individual's employer temporarily ceases operations due to COVID-19, preventing employees from coming to work;
- the individual is quarantined due to COVID-19 with the expectation of returning to work after the quarantine is over; or

the individual leaves employment due to a risk of exposure or infection of COVID-19 or to care for a family member due to COVID-19.