

**BEFORE THE DELAWARE DEPARTMENT OF LABOR,  
DIVISION OF UNEMPLOYMENT INSURANCE**

**EIGHTEENTH EMERGENCY RULES AMENDING THE DELAWARE  
UNEMPLOYMENT INSURANCE CODE PURSUANT TO 29 DEL.C. § 8503**

**WHEREAS**, the Centers for Disease Control and Prevention has determined that a novel coronavirus (“COVID-19”) presents a serious public health threat; and

**WHEREAS**, on March 12, 2020, Governor John Carney issued a State of Emergency in Delaware due to the public health threat of COVID-19, which became effective as of Friday, March 13, 2020 at 8:00 a.m. E.S.T., and shall continue until terminated as provided under state law (the “State of Emergency”); and

**WHEREAS**, thereafter, Governor Carney has issued orders extending the State of Emergency each successive month; and

**WHEREAS**, on March 16, 2020, Governor Carney issued a First Modification of the Declaration of a State of Emergency for the State of Delaware due to a Public Health Threat, pursuant to Title 20, Chapter 31 of the Delaware Code, which modified the previously issued State of Emergency declaration and provided that:

“The Delaware Secretary of Labor is authorized to develop emergency rules, amending the Delaware Unemployment Insurance Code, effective Monday, March 16, 2020, such emergency rules to remain in effect until the State of Emergency declaration has been rescinded. These rules should enhance the flexibility of the unemployment insurance program in response to COVID-19, and alleviate some of the burden of temporary layoffs, isolation, and quarantine by ensuring unemployment benefits are available to individuals whose employment has been impacted directly by COVID-19.”; and

**WHEREAS**, the First Modification also limited public gatherings to 50 people, provided all restaurants, bars and taverns could only provide food and beverage service through take-out, drive through or off premises delivery, and required casinos to cease gaming operations; and

**WHEREAS**, on March 18, 2020, Governor Carney issued a Second Modification of the Declaration of a State of Emergency for the State of Delaware due to a Public Health Threat (the “Second Modification”), which reiterated the emergency rulemaking authorization to the Delaware Secretary of Labor that was in the First Modification, and also required bowling alleys, concert events, movie theaters, sports facilities, fitness centers, and health spas to cease operations; and

**WHEREAS**, through subsequent modifications of the State of Emergency, all non-essential businesses were required to cease operations; and

**WHEREAS**, on May 31, 2020, Governor Carney issued the Twentieth Modification of the Declaration of a State of Emergency for the State of Delaware due to a Public Health Threat (the “Twentieth Modification”), which extended the emergency rulemaking authorization granted to the Delaware Secretary of Labor that was in the First Modification through July 2, 2020; and

**WHEREAS**, on June 30, 2020, Governor Carney issued the Twenty-Third Modification of the Declaration of a State of Emergency for the State of Delaware due to a Public Health Threat (the “Twenty-Third Modification”), which extended the emergency rulemaking authorization granted to the Delaware Secretary of Labor that was in the First Modification until the State of Emergency is rescinded; and

**WHEREAS**, on March 19, 2020, President Trump signed into law the Families First Coronavirus Response Act, including the Emergency Unemployment Insurance Stabilization and Access Act of 2020, which grants the states broad flexibility to modify state unemployment laws and policies on an emergency temporary basis as needed to respond to COVID-19; and

**WHEREAS**, on March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act, which provides stimulus funds and extended and supplemental unemployment benefits to a variety of employees and other workers; and

**WHEREAS**, on July 16, 2020, the General Assembly modified 29 *Del.C.* § 8503 to codify the rulemaking authority of the Secretary of Labor contained in the Twenty-Third Modification of the

Declaration of a State of Emergency for the State of Delaware due to a Public Health Threat (the “Twenty-Third Modification”). Section 8503 as enacted states:

“The Secretary is authorized to develop emergency rules amending the Delaware Unemployment Insurance Code which enhance the flexibility of the unemployment insurance program in response to COVID-19 and alleviate some of the burden of temporary layoffs, isolation and quarantine by ensuring unemployment benefits are available to individuals whose employment has been impacted directly by COVID-19.”

This section was effective until March 31, 2021; and

**WHEREAS**, on September 3, 2020, Governor Carney issued the Twenty-Seventh Modification of the Declaration of a State of Emergency for the State of Delaware due to a Public Health Threat (the “Twenty-Seventh Modification”), which rescinded all prior State of Emergency modifications regarding the emergency rulemaking authorization granted to the Delaware Secretary of Labor; and

**WHEREAS**, on December 27, 2020, President Trump signed into law the Continued Assistance Act, which extended the duration of the pandemic-related extended and supplemental unemployment benefits to a variety of employees and other workers, and altered the eligibility and documentation requirements for those benefits; and

**WHEREAS**, on February 8, 2021, the General Assembly extended the duration of the prior modification of 29 *Del.C.* § 8503 to codify the rulemaking authority of the Secretary of Labor. Section 8503 as enacted states:

“The Secretary is authorized to develop emergency rules amending the Delaware Unemployment Insurance Code which enhance the flexibility of the unemployment insurance program in response to COVID-19 and alleviate some of the burden of temporary layoffs, isolation and quarantine by ensuring unemployment benefits are available to individuals whose employment has been impacted directly by COVID-19.”

This section is currently effective until March 31, 2022; and

**WHEREAS**, on March 12, 2021, President Biden signed into law the American Rescue Plan Act, which further extended the duration of the pandemic-related extended and supplemental unemployment benefits to a variety of employees and other workers; and

**WHEREAS**, in the interest of assisting the citizens of Delaware whose employment has been impacted directly by COVID-19, and the self-employed and businesses in Delaware that have experienced loss of revenue and financial impacts from COVID-19, the Department of Labor (the “Department”) finds that the adoption of the following emergency rules is necessary to enhance the flexibility of Delaware’s unemployment insurance program.

**NOW, THEREFORE, IT IS ORDERED:**

1. New Employer Unemployment Tax Rates for 2022:

Notwithstanding the required computation of the average employer assessment rate, the average industry assessment rate or the average construction industry assessment rate to be established by the Secretary of Labor on or before December 31, 2021 for the next succeeding calendar year pursuant to 19 *Del. C.* § 3348(a) through (c), for calendar year 2022, all employers assigned an assessment rate under 19 *Del. C.* § 3348(d) or (e) shall have the same rate as established by the Secretary of Labor for the calendar year 2020.

2. Merit Rated Employer Unemployment Tax Assessment Rates for 2022:

Notwithstanding the required computation of the employer assessment rate to be determined by the Division for the next succeeding calendar year pursuant to 19 *Del. C.* § 3350, for calendar year 2022, employers shall be assigned an assessment rate equal to the lowest of the rate determined by the Division pursuant to 19 *Del. C.* § 3350 for the calendar year 2020, 2021, or 2022; except that employers who are determined for calendar year 2022 to have the delinquency rate of assessment pursuant to 19 *Del. C.* § 3350(6) shall continue to be assigned the delinquency rate, subject to the administrative authority provided for in Paragraph 3 of this Eighteenth Emergency Rules.

3. Administrative Authority to Revise Default Tax Assessment Rates:

Notwithstanding 19 *Del. C.* § 3350(6), the Division shall have the authority in its sole discretion to make changes to the delinquency assessment rate of any employer to take effect on the date determined by the Division, and to provide assessment credits to any employer, as necessary to correct administrative errors or address fraudulent claims charged to employers, except with respect to employers who are charged the delinquency assessment rate because they have not filed any quarterly tax report owed to the Division.

4. Section 3302(19)(A) of Title 19 of the Delaware Unemployment Code is hereby amended as follows (*deletions shown in strikethrough and additions shown in underline*):

(ix) Notwithstanding any other provisions in this section, from January 1, 2022 to December 31, 2022, “wages” does not include that part of the remuneration which, after remuneration equal to \$14,500 (or such greater amount as may be specified as the taxable wage base in the Federal Unemployment Tax Act (26 U.S.C. § 3301 et seq.)) with respect to employment during any calendar year, is paid to an individual by an employer or the employer's predecessor during such calendar year.

These emergency rules are promulgated by the Department of Labor pursuant to the authority granted to the Secretary of Labor by the General Assembly in 29 *Del.C.* § 8503. During the period of time 29 *Del.C.* § 8503 is in effect, all existing laws, ordinances, rules or regulations that are inconsistent with these emergency rules shall be suspended, to the extent that a conflict exists. These emergency rules shall remain in effect until March 31, 2022, unless modified or amended by additional emergency rules.

The Secretary of the Department of Labor reserves the right to issue additional emergency rules and to modify or amend these emergency rules, pursuant to the rule-making authority granted in 29 *Del.C.* § 8503.

**IT IS SO ORDERED**, the 28 day of December, 2021.

*Karryl D. Hubbard*

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Karryl Hubbard  
The Secretary of the Delaware Department of Labor