

Department of Legislative Services  
Maryland General Assembly  
2012 Session

FISCAL AND POLICY NOTE

House Bill 835  
Economic Matters

(Delegate Barnes)

Finance

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**Workers' Compensation - Permanent Partial Disability Benefits - Washington  
Metropolitan Area Transit Authority**

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This bill specifies that police officers employed by the Washington Metropolitan Area Transit Authority (WMATA) are eligible for enhanced workers' compensation benefits for permanent partial disabilities. Specifically, under the bill, WMATA police officers who are awarded claims of fewer than 75 weeks for permanent partial disabilities are compensated by WMATA at the higher rate (two-thirds of the officer's average weekly wage, not to exceed one-third of the State average weekly wage) that is established for claims of 75 to 250 weeks.

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**Fiscal Summary**

**State Effect:** To the extent that the bill results in additional workers' compensation benefits paid to WMATA employees, Transportation Trust Fund (TTF) expenditures increase to reflect increased annual operating grants paid by the Maryland Department of Transportation (MDOT) to the Washington Suburban Transit Commission.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** Certain public safety employees – including specified volunteer and paid firefighters, paramedics, and law enforcement officers – are entitled to receive enhanced workers' compensation benefits for permanent partial disabilities that are determined to be compensable for fewer than 75 weeks. Public safety employees who qualify for the

enhancement are entitled to compensation equal to two-thirds of their average weekly wage, not to exceed one-third of the State average weekly wage. For claims arising after January 1, 2011, the maximum award that other employees – who do not qualify for the enhancement – may receive for this type of injury is one-third of the employee’s average weekly wage (not to exceed 16.7% of the State average weekly wage). The State average weekly wage for calendar 2012 is \$965.

**Background:** The Washington Suburban Transit Commission, established in 1965, is responsible for administering the Washington Suburban Transit District and is authorized to develop a transportation system, including mass transit facilities, for Montgomery and Prince George’s counties. It coordinates mass transit programs with the two county governments, WMATA, and MDOT. MDOT provides annual operating grants to the commission, which then provides funding to WMATA for operation of the Metrorail, Metrobus, and MetroAccess systems.

WMATA operates the second largest rail transit system and the fifth largest bus network in the United States. It also maintains a regular police force to protect patrons, personnel, and property. In fiscal 2012, WMATA had 635 budgeted positions for transit police.

WMATA advises that it is self-insured for up to \$2.5 million per claim and that its annual costs related to workers’ compensation claims for transit police are approximately \$1.0 million.

**State Expenditures:** Officers who are injured in the line of duty and are found to have a permanent partial disability that is compensable for less than 75 weeks are eligible for wage replacement benefits at a higher rate under the bill. WMATA advises that the average weekly wage of a transit police officer is \$1,291; however, WMATA was unable to isolate the amount of benefits currently paid that would be changed by the bill. Legislative Services advises that the amount of any such benefits paid by WMATA may increase significantly under the bill.

MDOT is required to provide annual grants to the Washington Suburban Transit Commission for a share of the operating deficits of the regional transit system (including WMATA). Thus, to the extent that the bill results in additional workers’ compensation benefits paid to WMATA employees, TTF expenditures increase to reflect increased annual operating grants paid by MDOT to the commission.

However, WMATA (which operates under a regional compact) advises that the implementation of any new requirements related to employment with WMATA is typically contingent upon enactments by Virginia and the District of Columbia as well as Maryland. Thus, it is unclear if the bill can or will be implemented.

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Montgomery and Prince George's counties, Injured Workers' Insurance Fund, National Council on Compensation Insurance, Subsequent Injury Fund, Maryland Department of Transportation, Uninsured Employers' Fund, Workers' Compensation Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2012  
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