

# SENATE BILL 95

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By: **Senators Klausmeier and Feldman**

Introduced and read first time: January 26, 2015

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation – Children's Scholarship Fund – Establishment**

3 FOR the purpose of establishing the Workers' Compensation Children's Scholarship Fund;  
4 requiring the Workers' Compensation Commission to impose, in addition to the  
5 payment of certain compensation, a certain assessment against an employer or its  
6 insurer for each award of compensation for permanent total disability against the  
7 employer; providing that the assessments shall be paid into the Fund; establishing  
8 the Fund as a special, nonlapsing fund; specifying the purpose of the Fund; requiring  
9 the Joint Committee on Workers' Compensation Benefit and Insurance Oversight to  
10 administer the Fund; requiring the State Treasurer to hold the Fund and the  
11 Comptroller to account for the Fund; specifying the contents of the Fund; specifying  
12 the purposes for which the Fund may be used; providing for the investment of money  
13 in and expenditures from the Fund; authorizing the Committee to award certain  
14 scholarship assistance to individuals who meet certain requirements; requiring the  
15 Committee, in consultation with a certain organization, to establish certain policies  
16 and procedures for the administration of the scholarship assistance; authorizing the  
17 Committee to consider the recommendations of a certain entity in awarding  
18 scholarship assistance under a certain provision of this Act; providing that an award  
19 or a denial of scholarship assistance under a certain provision of this Act is in the  
20 sole and exclusive discretion of the Committee; requiring the Commission, at the  
21 discretion of the Committee, to pay awards of scholarship assistance directly to a  
22 certain educational institution for a certain purpose; exempting the Fund from a  
23 certain provision of law requiring interest on State money in special funds to accrue  
24 to the General Fund of the State; defining certain terms; and generally relating to  
25 the Workers' Compensation Children's Scholarship Fund.

26 BY adding to

27 Article – Labor and Employment

28 Section 9–751; and 10–401 through 10–403 to be under the new subtitle “Subtitle 4.

29 Workers' Compensation Children's Scholarship Fund”

30 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2008 Replacement Volume and 2014 Supplement)

2 BY repealing and reenacting, without amendments,  
3 Article – State Finance and Procurement  
4 Section 6–226(a)(2)(i)  
5 Annotated Code of Maryland  
6 (2009 Replacement Volume and 2014 Supplement)

7 BY repealing and reenacting, with amendments,  
8 Article – State Finance and Procurement  
9 Section 6–226(a)(2)(ii)81. and 82.  
10 Annotated Code of Maryland  
11 (2009 Replacement Volume and 2014 Supplement)

12 BY adding to  
13 Article – State Finance and Procurement  
14 Section 6–226(a)(2)(ii)83.  
15 Annotated Code of Maryland  
16 (2009 Replacement Volume and 2014 Supplement)

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

19 **Article – Labor and Employment**

20 **9–751.**

21 **(A) IN ADDITION TO THE PAYMENT OF COMPENSATION TO A COVERED**  
22 **EMPLOYEE OR THE DEPENDENTS OF A COVERED EMPLOYEE UNDER THIS TITLE, THE**  
23 **COMMISSION SHALL IMPOSE AGAINST AN EMPLOYER OR, IF INSURED, ITS INSURER**  
24 **AN ASSESSMENT OF \$5,000 FOR EACH AWARD OF COMPENSATION FOR PERMANENT**  
25 **TOTAL DISABILITY AGAINST THE EMPLOYER.**

26 **(B) ASSESSMENTS UNDER SUBSECTION (A) OF THIS SECTION SHALL BE PAID**  
27 **TO THE WORKERS’ COMPENSATION CHILDREN’S SCHOLARSHIP FUND**  
28 **ESTABLISHED UNDER TITLE 10, SUBTITLE 4 OF THIS ARTICLE.**

29 **SUBTITLE 4. WORKERS’ COMPENSATION CHILDREN’S SCHOLARSHIP FUND.**

30 **10–401.**

31 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**  
32 **INDICATED.**

33 **(B) “COMMISSION” HAS THE MEANING STATED IN § 9–101 OF THIS ARTICLE.**

1 (C) "COMMITTEE" MEANS THE JOINT COMMITTEE ON WORKERS'  
2 COMPENSATION BENEFIT AND INSURANCE OVERSIGHT ESTABLISHED UNDER §  
3 2-10A-03 OF THE STATE GOVERNMENT ARTICLE.

4 (D) "FUND" MEANS THE WORKERS' COMPENSATION CHILDREN'S  
5 SCHOLARSHIP FUND ESTABLISHED UNDER § 10-402 OF THIS SUBTITLE.

6 10-402.

7 (A) THERE IS A WORKERS' COMPENSATION CHILDREN'S SCHOLARSHIP  
8 FUND.

9 (B) THE PURPOSE OF THE FUND IS TO PROVIDE SCHOLARSHIP ASSISTANCE  
10 TO INDIVIDUALS WHOSE PARENTS OR GUARDIANS HAVE RECEIVED COMPENSATION  
11 FOR PERMANENT TOTAL DISABILITY UNDER THE MARYLAND WORKERS'  
12 COMPENSATION ACT.

13 (C) THE COMMITTEE SHALL ADMINISTER THE FUND.

14 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT  
15 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

16 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,  
17 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

18 (F) THE FUND CONSISTS OF:

19 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-751 OF THIS  
20 ARTICLE;

21 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

22 (3) INVESTMENT EARNINGS OF THE FUND; AND

23 (4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR  
24 THE BENEFIT OF THE FUND.

25 (G) THE FUND MAY BE USED ONLY FOR:

26 (1) AWARDED SCHOLARSHIP ASSISTANCE TO STUDENTS WHO MEET  
27 THE REQUIREMENTS OF § 10-403(A) OF THIS SUBTITLE; AND

1           **(2) ADMINISTERING THE FUND AND SCHOLARSHIP ASSISTANCE**  
2 **UNDER THIS SUBTITLE.**

3           **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**  
4 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

5           **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED**  
6 **TO THE FUND.**

7 **10-403.**

8           **(A) THE COMMITTEE MAY AWARD SCHOLARSHIP ASSISTANCE FROM THE**  
9 **FUND TO AN INDIVIDUAL:**

10           **(1) WHOSE PARENT OR GUARDIAN WAS DETERMINED BY THE**  
11 **COMMISSION TO HAVE SUFFERED A PERMANENT TOTAL DISABILITY COMPENSABLE**  
12 **UNDER THE MARYLAND WORKERS' COMPENSATION ACT; AND**

13           **(2) WHO:**

14                   **(I) IS UNDER THE AGE OF 26 YEARS;**

15                   **(II) IS OR WILL BE PURSUING A DEGREE OR CERTIFICATE FROM**  
16 **AN ACCREDITED COLLEGE, UNIVERSITY, OR POSTSECONDARY SCHOOL; AND**

17                   **(III) IS IN NEED OF FINANCIAL ASSISTANCE, AS DETERMINED BY**  
18 **THE COMMITTEE, IN ORDER TO ATTEND THE COLLEGE, UNIVERSITY, OR**  
19 **POSTSECONDARY SCHOOL.**

20           **(B) IN CONSULTATION WITH KIDS' CHANCE OF MARYLAND, INC., THE**  
21 **COMMITTEE SHALL ESTABLISH POLICIES AND PROCEDURES FOR THE**  
22 **ADMINISTRATION OF THE SCHOLARSHIP ASSISTANCE, INCLUDING APPLICATION**  
23 **FORMS FOR THE SCHOLARSHIP ASSISTANCE AWARDED UNDER SUBSECTION (A) OF**  
24 **THIS SECTION.**

25           **(C) IN AWARDING SCHOLARSHIP ASSISTANCE UNDER SUBSECTION (A) OF**  
26 **THIS SECTION, THE COMMITTEE MAY CONSIDER THE RECOMMENDATIONS, IF ANY,**  
27 **OF THE BOARD OF DIRECTORS OF KIDS' CHANCE OF MARYLAND, INC.**

28           **(D) AN AWARD OR A DENIAL OF SCHOLARSHIP ASSISTANCE UNDER THIS**  
29 **SECTION IS IN THE SOLE AND EXCLUSIVE DISCRETION OF THE COMMITTEE.**

1           **(E) AT THE DIRECTION OF THE COMMITTEE, THE COMMISSION SHALL PAY**  
 2 **ANY SCHOLARSHIP ASSISTANCE AWARDED UNDER SUBSECTION (A) OF THIS SECTION**  
 3 **DIRECTLY TO THE COLLEGE, UNIVERSITY, OR POSTSECONDARY SCHOOL ON BEHALF**  
 4 **OF THE INDIVIDUAL AWARDED THE SCHOLARSHIP ASSISTANCE.**

5                                   **Article – State Finance and Procurement**

6 6–226.

7           (a) (2) (i) Notwithstanding any other provision of law, and unless  
 8 inconsistent with a federal law, grant agreement, or other federal requirement or with the  
 9 terms of a gift or settlement agreement, net interest on all State money allocated by the  
 10 State Treasurer under this section to special funds or accounts, and otherwise entitled to  
 11 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General  
 12 Fund of the State.

13                                   (ii) The provisions of subparagraph (i) of this paragraph do not apply  
 14 to the following funds:

15   81. the Cybersecurity Investment Fund; [and]

16   82. the Northeastern Maryland Additive Manufacturing  
 17 Innovation Authority Fund; AND

18   83. **THE WORKERS’ COMPENSATION CHILDREN’S**  
 19 **SCHOLARSHIP FUND.**

20           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 21 October 1, 2015.