

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 631
Economic Matters

(Howard County Delegation)

Finance

Workers' Compensation - Permanent Partial Disability - Howard County Deputy Sheriffs
Ho. Co. 11-16

This bill expands the circumstances under which a Howard County deputy sheriff is considered a public safety employee, thereby making the deputy sheriff eligible for enhanced workers' compensation benefits. Specifically, the bill repeals a provision that only considers a deputy sheriff a public safety employee when he or she is performing law enforcement duties expressly requested, defined, and authorized in accordance with a written memorandum of understanding executed between the Howard County Sheriff and other law enforcement agencies.

The bill must be construed to apply only prospectively and may not be applied or interpreted to have any effect on, or application to, any claims arising before the bill's October 1, 2016 effective date.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: Howard County expenditures increase minimally beginning in FY 2017 due to the expansion of enhanced workers' compensation benefits for deputy sheriffs in that county. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law/Background: A Howard County deputy sheriff is only considered a public safety employee when he or she is performing law enforcement duties expressly requested, defined, and authorized in accordance with a written memorandum of understanding executed between the Howard County Sheriff and other law enforcement agencies. Howard County has 41 deputy sheriffs.

Normally, an employee who is awarded compensation for a period less than 75 weeks is eligible to receive weekly benefits of one-third of his or her average weekly wage, but that amount may not exceed 16.7% of the State average weekly wage. However, a public safety employee is eligible for enhanced workers' compensation benefits if awarded compensation for less than 75 weeks. In such a case, the employer or its insurer must pay the public safety employee at a compensation rate set for an award period of greater than 75 weeks but less than 250 weeks. Thus, a public safety employee is eligible to receive approximately double the weekly benefits – two-thirds of his or her average weekly wage, but that amount may not exceed one-third of the State average weekly wage. The State average weekly wage for 2016 is \$1,027.

The deputy sheriffs of Prince George's, Montgomery, Allegany, and Anne Arundel counties are considered public safety employees. A Baltimore County deputy sheriff is considered a public safety employee only when performing specified duties.

Local Expenditures: Under the bill, Howard County deputy sheriffs are always eligible to receive enhanced benefits if they receive workers' compensation benefits instead of only when they are performing certain duties. Generally, this expansion leads to increased expenditures for Howard County; however, the number of claims subject to the bill's enhancement and, therefore, the precise impact of the bill in any given future year cannot be reliably estimated. Even so, Howard County advises that any expenditure increase due to the bill's expansion is expected to be minimal based on its prior experience with workers' compensation claims and the small number of deputy sheriffs who may be affected.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Workers' Compensation Commission, Howard County, Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2016
min/ljm

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