



LEGISLATIVE POSITION:

Unfavorable

Senate Bill 219 - Uninsured Employers' Fund - Additional Assessment on Awards and Settlements - Amount

House Economic Matters Committee

Wednesday, March 26, 2025

Dear Chair Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Senate Bill 219 (SB 219) increases the additional percentage the Uninsured Employers' Fund (UEF) may direct the Workers' Compensation Commission (WCC) to assess on awards and settlements if the UEF determines that the reserves of the Fund are inadequate to meet anticipated losses.

Maryland's compliant employers – those who dutifully maintain workers' compensation insurance – already contribute significantly to funding both the Subsequent Injury Fund (SIF) and the UEF through assessments on awards and settlements. **These employers should not be further penalized to compensate for the financial challenges facing the UEF, particularly in the absence of a clear long-term funding strategy.**

Additionally, increasing assessments without a clear, long-term plan for fiscal stability is a short-term fix that does not address the underlying financial challenges of the UEF. Without a well-defined strategy, there is a risk that compliant employers will face repeated increases in the future.

Rather than shifting the financial burden onto businesses that are already meeting their legal obligations, we urge the committee to explore alternative solutions that improve the fiscal responsibility of the UEF while protecting Maryland's job creators from undue costs.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **SB 219**.