

SENATE BILL 789

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4lr2483
CF 4lr2519

By: **Senator Klausmeier**

Introduced and read first time: February 1, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation – Uninsured Employers' Fund – Timely Payment of**
3 **Awards**

4 FOR the purpose of requiring the Uninsured Employers' Fund to begin paying
5 compensation for a workers' compensation claim within a certain time period;
6 applying certain provisions of law regarding the failure to timely pay awards to the
7 Fund; and generally relating to the payment of workers' compensation claims.

8 BY repealing and reenacting, with amendments,
9 Article – Labor and Employment
10 Section 9–727 and 9–728
11 Annotated Code of Maryland
12 (2016 Replacement Volume and 2023 Supplement)

13 BY repealing and reenacting, without amendments,
14 Article – Labor and Employment
15 Section 9–741
16 Annotated Code of Maryland
17 (2016 Replacement Volume and 2023 Supplement)

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

20 **Article – Labor and Employment**

21 9–727.

22 The employer [or], its insurer, **OR THE UNINSURED EMPLOYERS' FUND** shall
23 begin paying compensation to the covered employee within 15 days after the later of the
24 date:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) an award is made; or

2 (2) payment of an award is due.

3 9–728.

4 (a) If the Commission finds that an employer [or], its insurer, **OR THE**
5 **UNINSURED EMPLOYERS’ FUND** has failed, without good cause, to begin paying an
6 award within 15 days after the later of the date that the award is issued or the date that
7 payment of the award is due, the Commission shall assess against the employer [or], its
8 insurer, **OR THE UNINSURED EMPLOYERS’ FUND**, a fine not exceeding 20% of the
9 amount of the payment.

10 (b) If the Commission finds that an employer [or], its insurer, **OR THE**
11 **UNINSURED EMPLOYERS’ FUND** has failed, without good cause, to begin paying an
12 award within 30 days after the later of the date that the award is issued or the date that
13 payment of the award is due, the Commission shall assess against the employer [or], its
14 insurer, **OR THE UNINSURED EMPLOYERS’ FUND**, a fine not exceeding 40% of the
15 amount of the payment.

16 (c) The Commission shall order the employer [or], insurer, **OR THE UNINSURED**
17 **EMPLOYERS’ FUND** to pay a fine assessed under this section to the covered employee.

18 9–741.

19 An appeal is not a stay of:

20 (1) an order of the Commission requiring payment of compensation; or

21 (2) an order or supplemental order of the Commission requiring the
22 provision of medical treatment.

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
24 apply only prospectively and may not be applied or interpreted to have any effect on or
25 application to any claim arising before the effective date of this Act.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2024.