

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 413 (Senator Della)
Finance

Referred to Economic Matters

Workers' Compensation - Collective Bargaining Agreement - Terms - Limitations

This amended bill permits an employer and a recognized bargaining representative of employees under the purview of the Building and Construction Trade Council to adopt an alternative workers' compensation claim settlement system as part of a collective bargaining agreement if specified conditions are met. An alternative claims settlement agreement may not exempt an employee or an employer from a duty under the State's workers' compensation laws and may not waive or limit the rights or benefits of an employee or employer under those laws. Nothing in the bill limits an injured employee's right to seek treatment from a health care provider of the employee's choice.

An alternative claim settlement system is not valid until it is filed with the Workers' Compensation Commission; once approved by the Commission, it is binding on the employer and members of the bargaining unit.

By October 1, 1998, the Workers' Compensation Commission and other specified parties must submit a report to the Senate Finance Committee and the House Economic Matters Committee on the status of using an alternative claims settlement procedure as provided by this bill. The bill sunsets on September 30, 2000.

Fiscal Summary

State Effect: None. The bill would not substantively alter the duties of the Workers' Compensation Commission and would not impact State operations or finances. The Injured Workers' Insurance Fund (IWIF) advises that the favorable impact of certain alternative claim settlement agreements would be offset by the administrative costs of dealing with different systems of claims resolution. Therefore, the bill is not expected to have a fiscal impact on IWIF.

Local Effect: None.

Information Source(s): Workers' Compensation Commission, Injured Workers' Insurance Fund, Subsequent Injury Fund, Uninsured Employers' Fund, Department of Fiscal Services

Fiscal Note History: First Reader - March 1, 1996
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