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**By: Senator Della**

Introduced and read first time: January 22, 1997

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation Insurance - Construction Industry - Premium Rates**

3 FOR the purpose of requiring the premium rates for workers' compensation insurance in  
4 the construction industry to be determined by the actual number of hours worked in  
5 each manual rate classification; prohibiting the premium rates for workers'  
6 compensation insurance in the construction industry from being computed as a  
7 percentage of an employer's payroll; defining a certain term; and generally relating  
8 to premium rates for workers' compensation insurance in the construction industry.

9 BY adding to

10 Article - Insurance  
11 Section 19-403.1  
12 Annotated Code of Maryland  
13 (1996 Volume)  
14 (As enacted by Chapter 11 of the Acts of the General Assembly of 1996)

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

17 **Article - Insurance**

18 19-403.1.

19 (A) IN THIS SECTION, "CONSTRUCTION INDUSTRY" INCLUDES ANY ACTIVITY  
20 IN CONNECTION WITH THE ERECTION, ALTERATION, REPAIR, REPLACEMENT,  
21 RENOVATION, INSTALLATION, OR DEMOLITION OF ANY BUILDING, HIGHWAY,  
22 BRIDGE, OR OTHER STRUCTURE.

23 (B) SUBJECT TO THE PROVISIONS OF § 19-403 OF THIS SUBTITLE AND TITLE 11  
24 OF THIS ARTICLE, THE PREMIUM RATES FOR WORKERS' COMPENSATION  
25 INSURANCE IN THE CONSTRUCTION INDUSTRY:

26 (1) SHALL BE DETERMINED BY THE NUMBER OF ACTUAL HOURS  
27 WORKED IN EACH MANUAL RATE CLASSIFICATION; AND

28 (2) MAY NOT BE COMPUTED AS A PERCENTAGE OF AN EMPLOYER'S  
29 PAYROLL.

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1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 1997.