

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE  
Revised

House Bill 431 (Delegate Exum. *et al.*)  
Economic Matters

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**Workers' Compensation - Death Benefits for Partly Dependent Individuals**

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This amended bill increases from \$17,500 to \$45,000 the maximum amount of death benefit payments that a partly dependent individual may receive. If a partly dependent surviving spouse remarries, the total of the payments made before the remarriage may not exceed \$45,000, versus the current \$17,500.

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**Fiscal Summary**

**State Effect:** Potential increase in State workers' compensation expenditures, depending on level of death benefit claims by partly dependent individuals.

**Local Effect:** Potential increase in local government workers' compensation expenditures, depending on level of death benefit claims by partly dependent individuals.

**Small Business Effect:** Potential meaningful increase in workers' compensation expenditures for employers, including small businesses, depending on level of death benefit claims by partly dependent individuals.

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**Fiscal Analysis**

**State Expenditures:** This bill would increase the maximum partial dependency benefit to \$45,000 for a partly dependent individual, for an additional cost equal to \$27,500 per case.

The Injured Workers' Insurance Fund (IWIF), which administers the State's workers' compensation program, advises that approximately 16% of IWIF's fatality claims are payable to partial dependents. Assuming that workers' compensation death benefits would increase

\$27,500 per partly dependent individual, death benefits would increase by about \$687,500 per year for IWIF's current cases. It cannot be determined at this time how many of these cases are attributable to the State and how many to other IWIF insureds. For those cases attributable to the State, the State's workers' compensation expenditures would increase accordingly.

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**Information Source(s):** Injured Workers' Insurance Fund; Workers' Compensation Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - February 9, 1998  
Inc Revised - House Third Reader - March 19, 1998

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| Analysis by: Matthew D. Riven | Direct Inquiries to:             |
| Reviewed by: John Rixey       | John Rixey, Coordinating Analyst |
|                               | (410) 841-3710                   |
|                               | (301) 858-3710                   |