

SENATE BILL 66

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1999 Regular Session  
(9r0097)

*ENROLLED BILL*

-- Finance and Budget and Taxation /Economic Matters --

Introduced by **Chairman, Finance Committee and Chairman, Budget and  
Taxation Committee (Departmental - Uninsured Employers' Fund)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Uninsured Employers' Fund - Special Fund**

3 FOR the purpose of repealing the requirement that the Workers' Compensation  
4 Commission pay certain tax money into the General Fund to reimburse the  
5 State for the expense of administering the Uninsured Employers' Fund;  
6 ~~repealing~~ altering a provision of law that requires the suspension and  
7 resumption of a certain assessment depending on the amount of the Uninsured  
8 Employers' Fund; requiring the proposed annual budget of the Uninsured  
9 Employers' Fund to include an appropriation to fund the Fund's operations; and  
10 generally relating to the Uninsured Employers' Fund.

11 BY repealing and reenacting, with amendments,  
12 Article - Labor and Employment  
13 Section 9-316(f), ~~9-1007~~, 9-1011, and 10-316  
14 Annotated Code of Maryland  
15 (1991 Volume and 1998 Supplement)

1 BY repealing and reenacting, without amendments,

2 Article - Labor and Employment

3 Section 9-1007

4 Annotated Code of Maryland

5 (1991 Volume and 1998 Supplement)

6 ~~BY repealing~~

7 ~~Article - Labor and Employment~~

8 ~~Section 9-1011~~

9 ~~Annotated Code of Maryland~~

10 ~~(1991 Volume and 1998 Supplement)~~

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

13 **Article - Labor and Employment**

14 9-316.

15 (f) The Commission shall pay the money that it collects for the tax under this  
16 section into the State Treasury to reimburse the State for the expense of  
17 administering[:

18 (1)] this title[; and

19 (2) the Uninsured Employers' Fund Board under § 10-316(b) of this  
20 article].

21 9-1007.

22 (a) Except as provided in subsection (b) of this section, the Commission shall  
23 impose against an employer or, if insured, its insurer an assessment equal to 1% of:

24 (1) each award against the employer for permanent disability or death,  
25 including awards for disfigurement or mutilation; and

26 (2) each amount payable by the employer or its insurer under a  
27 settlement agreement approved by the Commission.

28 (b) [Notwithstanding the limit on the balance of the Fund under § 9-1011 of  
29 this subtitle, if] ~~IF~~ the Board determines that the reserves of the Fund are inadequate  
30 to meet anticipated losses, the Board may direct the Commission to assess an  
31 additional 1% under subsection (a) of this section.

32 (c) Any fractional dollar of payment under this section shall be rounded off to  
33 the nearest whole dollar.

1 (d) The Commission shall direct payment of an assessment under subsection  
2 (a) or (b) of this section into the Fund.

3 (e) Payments under this section are in addition to the payment of  
4 compensation to a covered employee or the dependents of a covered employee under  
5 this title.

6 ~~9-1011.~~

7 (a) (1) When the amount of the Fund equals at least ~~\$2,500,000~~ \$5,000,000,  
8 the payment of assessments by employers and insurers is suspended.

9 (2) The Director shall notify each self-insured employer and insurer of  
10 the suspension of the payment of assessments under paragraph (1) of this subsection.

11 (b) (1) Payment of assessments shall be resumed if:

12 (i) the amount of the Fund becomes less than ~~\$1,000,000~~  
13 \$3,000,000 because of payments made under § 9-1002 of this subtitle or other  
14 payments; or

15 (ii) the Director determines that payments that are likely to be  
16 made from the Fund in the next 3 months will reduce the amount of the Fund to less  
17 than ~~\$1,000,000~~ \$3,000,000.

18 (2) When payment of assessments is to be resumed under paragraph (1)  
19 of this subsection, the Director shall notify each self-insured employer and insurer  
20 that payment of assessments is to:

21 (i) resume on a specified date; and

22 (ii) continue until the amount of the Fund becomes at least  
23 ~~\$2,500,000.~~ \$5,000,000.

24 10-316.

25 (a) The Board shall supervise the administration of the Fund.

26 (b) (1) The Fund annually shall submit to the Governor a proposed budget  
27 for the Fund, for inclusion in the budget bill to be submitted to the General Assembly.

28 (2) The proposed budget shall include an appropriation from the  
29 [General Fund of the State for the administrative costs of the Board] FUND FOR ITS  
30 BUDGET.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
32 effect ~~October~~ July 1, 1999.

