

SENATE BILL 245

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1999 Regular Session
9r1052

By: **Senators Teitelbaum, Exum, Conway, Kelley, Pinsky, Della, and Dyson**
Introduced and read first time: February 3, 1999
Assigned to: Finance

Committee Report: Favorable
Senate action: Adopted with floor amendments
Read second time: March 31, 1999

CHAPTER _____

1 AN ACT concerning

2 **Workers' Compensation - Permanent Total Disability Claims - Cost of Living**
3 **Adjustments**

4 FOR the purpose of ~~altering a provision of the workers' compensation law so as to~~
5 ~~authorize an annual cost of living adjustment for certain claims regardless of~~
6 ~~the date of the claim; clarifying certain language~~ providing that certain covered
7 employees are eligible for an award by the Criminal Injuries Compensation
8 Board; requiring the Criminal Injuries Compensation Board to grant an award
9 to a covered employee under certain circumstances; and generally relating to
10 cost of living adjustments for permanent total disability claims under the
11 workers' compensation law.

12 BY repealing and reenacting, with amendments,
13 Article - Labor and Employment
14 Section 9-638
15 Annotated Code of Maryland
16 (1991 Volume and 1998 Supplement)

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

19 **Article - Labor and Employment**

20 9-638.

21 (a) Compensation paid under this Part V of this subtitle is subject to an
22 annual cost of living adjustment, ~~REGARDLESS OF THE DATE OF THE CLAIM.~~

1 (b) On or before June 30 of each year, the Department of Labor, Licensing, and
2 Regulation shall determine and report to the Commission the rate of change in the
3 Consumer Price Index in the preceding calendar year, using as the Consumer Price
4 Index the lower of:

5 (1) the average of the Consumer Price Indices (all urban consumers, all
6 item index) published by the United States Department of Labor for the Baltimore
7 MSA and the Washington, D.C. MSA; or

8 (2) the United States city average consumer price index (all urban
9 consumers, all item index).

10 (c) (1) On or before July 31 of each year, the Commission shall publish the
11 amount of the cost of living adjustment that shall become effective on January 1 of the
12 following year.

13 (2) The cost of living adjustment may not exceed 5%.

14 (d) The compensation payable to a covered employee under this Part V of this
15 subtitle shall be adjusted by:

16 (1) multiplying the initial rate of compensation by the cost of living
17 adjustment; and

18 (2) adding the product to the compensation, as adjusted, paid during the
19 prior year.

20 (e) (1) If a covered employee who is entitled to compensation under this Part
21 V of this subtitle also receives federal Social Security disability insurance benefits,
22 the adjusted annual compensation paid shall be reduced to the extent necessary to
23 avoid a diminution of the federal Social Security disability insurance benefits.

24 (2) If federal Social Security law on disability insurance benefits no
25 longer imposes a diminution in the payment of the adjustment in compensation,
26 payments of compensation shall be made to the full extent allowed under this section.

27 (F) (1) THIS SUBSECTION APPLIES ONLY TO A COVERED EMPLOYEE WHO:

28 (I) IS ENTITLED TO COMPENSATION UNDER THIS PART V OF THIS
29 SUBTITLE FOR WHICH THE COMPENSATION PAYABLE TO THE COVERED EMPLOYEE
30 IS NOT ADJUSTED BY THE ANNUAL COST OF LIVING ADJUSTMENT UNDER
31 SUBSECTION (A) OF THIS SECTION;

32 (II) WAS A VICTIM OF CRIME; AND

33 (III) HAS NOT FILED A CLAIM FOR AN AWARD WITH THE CRIMINAL
34 INJURIES COMPENSATION BOARD.

35 (2) IN ADDITION TO COMPENSATION PAID BY ANY OTHER SOURCE
36 WHICH THE COVERED EMPLOYEE RECEIVES FOR A PERMANENT TOTAL DISABILITY

1 CLAIM, THE COVERED EMPLOYEE IS ELIGIBLE FOR AN AWARD BY THE CRIMINAL
2 INJURIES COMPENSATION BOARD FROM THE CRIMINAL INJURIES COMPENSATION
3 FUND.

4 (3) NOTWITHSTANDING THE TIME OF FILING REQUIREMENTS UNDER
5 ARTICLE 27, § 820 OF THE CODE, IF THE COVERED EMPLOYEE FILES A CLAIM FOR AN
6 AWARD WITH THE CRIMINAL INJURIES COMPENSATION BOARD, THE CRIMINAL
7 INJURIES COMPENSATION BOARD SHALL GRANT THE COVERED EMPLOYEE AN
8 AWARD.

9 SECTION 2. AND BE IT FURTHER ENACTED, That ~~Section 5 of Chapter 594~~
10 ~~of the Acts of the General Assembly of 1987 may not be construed to prohibit a cost of~~
11 ~~living adjustment for permanent total disability claims arising before January 1,~~
12 ~~1988.~~

13 ~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect~~
14 ~~October~~ July 1, 1999.