

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

Senate Bill 226 (Senator Moonev)

Finance

Workers' Compensation Insurance - Religious Waiver

This bill authorizes an employee, on a signed form provided by the Workers' Compensation Commission, to waive workers' compensation benefits if the employee: (1) is a member of a recognized religious sect or a division of a religious sect; and (2) adheres to established tenets of the sect or division requiring the employee to oppose accepting insurance benefits that: (i) pay for death or disability incurred by the employee in the course of employment as a result of an occupational disease; or (ii) provide medical services for an occupational injury or disease incurred by the employee in the course of employment. A waiver application must be approved if: (1) the commission finds that the employee is a member of the sect or division; (2) the members of the sect have practiced their beliefs in the State for a substantial number of years; and (3) the members of the sect provide for their dependent members in a manner the commission determines to be reasonable. A waiver is presumed valid unless the commission has reason to believe it was coerced and continues to be valid until the employee rescinds it in writing.

Fiscal Summary

State Effect: State workers' compensation costs would decrease to the extent that employees waive coverage. Any decrease is assumed to be negligible.

Local Effect: Local workers' compensation costs would decrease to the extent that employees waive coverage. Any decrease is assumed to be negligible.

Small Business Effect: Potential minimal. Small business workers' compensation insurance premiums would decrease to the extent that employees waive coverage.

Analysis

Current Law: No provision of law requires a covered employee to accept payment of workers' compensation benefits for an occupational injury or disease incurred by the employee in the course of employment.

Background: The Injured Workers' Insurance Fund (IWIF), which administers the State's workers' compensation program, bases an employer's workers' compensation insurance premiums on the employer's payroll dollar amount in each risk category. IWIF's average premium rate per \$100 of payroll is \$3 for all risk categories.

A similar exemption has been enacted in Pennsylvania.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Injured Workers' Insurance Fund; Subsequent Injury Fund; Uninsured Employers' Fund; Workers' Compensation Commission; National Council on Compensation Insurance, Inc.; Department of Legislative Services

Fiscal Note History: First Reader - February 10, 2000

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