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2002 Regular Session
2lr2534

By: Senator Bromwell

Introduced and read first time: February 1, 2002

Assigned to: Finance

A BILL ENTITLED

4	4 % T		
1	ΔN	A("I	concerning

2 Workers' Compensation - Workers' Compensation Commission - Budget Process

4 FOR the purpose of requiring the Workers' Compensation Commission to calculate a

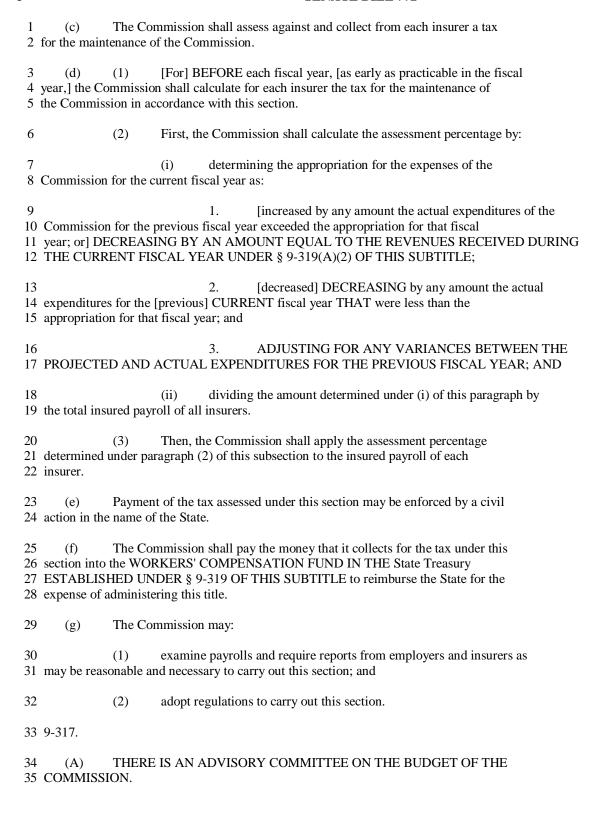
- 5 certain tax before each fiscal year in a certain manner; establishing a Workers'
- 6 Compensation Fund; requiring the Commission to pay money collected from a
- 7 certain tax to the Fund; establishing an Advisory Committee on the budget of
- 8 the Commission; providing for the membership of the Committee; requiring the
- 9 Governor to appoint certain members to the Committee; providing for the
- appointment of the chairman of the Committee; providing for the terms of the
- 11 members of the Committee; prohibiting a member of the Advisory Committee
- from receiving compensation; requiring the Commission to provide certain
- resources to the Committee; requiring the Commission to prepare a certain
- tentative operating budget for the Committee; requiring the Committee to
- review a certain budget and make recommendations to the Commission;
- requiring the Commission to take certain information into consideration prior to
- submitting a budget to the Governor; requiring the Governor to take certain
- information into consideration; requiring the Committee to submit a certain
- report to the Governor and the General Assembly; providing for the composition
- of the Fund; providing for the purpose of the Fund; requiring the costs of the
- 21 Commission to be paid out of the State budget; providing for expenditures of the
- Fund; providing for the disposition of certain money in the event of a surplus;
- 23 providing for an additional assessment in certain circumstances; providing that
- 24 the State Treasurer is the custodian of the Fund; requiring the State Treasurer
- 25 to deposit certain money into the Fund; providing that the Fund is a certain type
- of fund; prohibiting the use of money from the Fund for certain purposes;
- 27 requiring the Commission to pay certain money to the General Fund; and
- 28 generally relating to workers' compensation.

29 BY adding to

- 30 Article Labor and Employment
- 31 Section 9-317, 9-318, and 9-319
- 32 Annotated Code of Maryland
- 33 (1999 Replacement Volume and 2001 Supplement)

1 2 3 4 5	Article - Section Annotat	- Labor a 9-316 ted Code	nd Emplo of Maryl			
6 7				CTED BY THE GENERAL ASSEMBLY OF of Maryland read as follows:		
8				Article - Labor and Employment		
9	9-316.					
10	(a)	(1)	In this s	section the following words have the meanings indicated.		
11		(2)	"Insured	d payroll" means the payroll of an employer who:		
12			(i)	is subject to this title; and		
13 14	insurer.		(ii)	has obtained insurance for its covered employees from an		
15		(3)	"Insure	" means:		
16 17	under the In	surance .	(i) Article to	a stock corporation or mutual association that is authorized provide workers' compensation insurance in the State;		
18			(ii)	the Injured Workers' Insurance Fund;		
19 20	19 (iii) a governmental self-insurance group that meets the 20 requirements of § 9-404 of this title;					
21 22	requirement	ts of Title	(iv) 25, Sub	a self-insurance group of private employers that meets the title 3 of the Insurance Article; or		
23 24	9-405 of thi	s title.	(v)	an individual employer that self-insures in accordance with §		
	Out of money appropriated for the maintenance of the Commission, the State shall pay the salaries, administrative expenses, and all other expenses of the Commission, including:					
28 29	8 (1) the costs of the administration of the Occupational Safety and Health 9 Program by the Commissioner of Labor and Industry under Title 5 of this article; and					
	because of t the State of		ipation of	t incurred by the State, including contribution as an employer, f a Commissioner in the Judges' Retirement System of		

SENATE BILL 772



- 1 (B) (1) THE ADVISORY COMMITTEE CONSISTS OF 12 MEMBERS, APPOINTED 2 BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF THE SENATE.
- 3 (2) EACH MEMBER APPOINTED BY THE GOVERNOR SERVES AT THE 4 PLEASURE OF THE GOVERNOR.
- 5 (3) THE GOVERNOR SHALL APPOINT A CHAIRMAN FROM AMONG THE 6 MEMBERS OF THE ADVISORY COMMITTEE.
- 7 (C) IN MAKING THE APPOINTMENTS, THE GOVERNOR SHALL:
- 8 (1) ENSURE THAT VARIOUS DISCIPLINES WITHIN THE WORKERS' 9 COMPENSATION COMMUNITY ARE REPRESENTED, INCLUDING:
- 10 (I) BUSINESS;
- 11 (II) LABOR;
- 12 (III) THE INSURANCE INDUSTRY;
- 13 (IV) THE VOCATIONAL REHABILITATION INDUSTRY;
- 14 (V) THE MEDICAL PROFESSION;
- 15 (VI) CLAIMANTS' BAR; AND
- 16 (VII) DEFENSE BAR; AND
- 17 (2) CONSIDER, IN CONSULTATION WITH THE CHAIRMAN, THE 18 RECOMMENDATIONS MADE BY REPRESENTATIVES OF EACH OF THESE DISCIPLINES.
- 19 (D) (1) THE TERM OF AN APPOINTED MEMBER IS 3 YEARS.
- 20 (2) THE TERMS OF MEMBERS ARE STAGGERED.
- 21 (3) A MEMBER MAY BE REAPPOINTED.
- 22 (4) AT THE END OF A TERM, A MEMBER CONTINUES TO SERVE UNTIL A
- 23 SUCCESSOR IS APPOINTED AND QUALIFIES.
- 24 (5) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
- 25 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
- 26 OUALIFIES.
- 27 (E) MEMBERS OF THE ADVISORY COMMITTEE SHALL SERVE WITHOUT
- 28 COMPENSATION, BUT EACH MEMBER SHALL BE REIMBURSED FOR NECESSARY
- 29 TRAVEL AND OTHER EXPENSES INCURRED IN THE PERFORMANCE OF OFFICIAL
- 30 COMMITTEE DUTIES IN ACCORDANCE WITH THE STANDARD STATE TRAVEL
- 31 REGULATIONS.

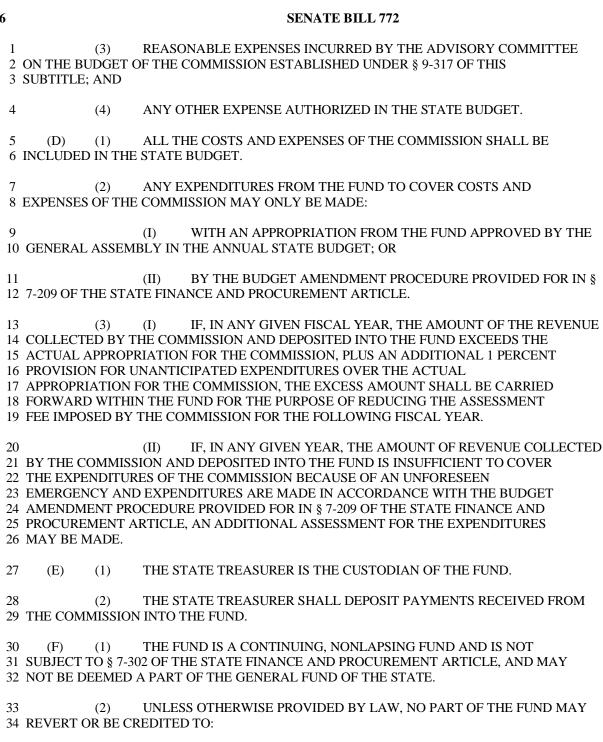
- 1 (F) THE COMMISSION SHALL PROVIDE MEETING SPACE, BUDGET ANALYSIS, 2 AND STAFF SUPPORT FOR THE ADVISORY COMMITTEE.
- 3 9-318.
- 4 (A) BY SEPTEMBER 1 OF EACH YEAR, THE COMMISSION SHALL PREPARE A
- 5 TENTATIVE OPERATING BUDGET FOR THE NEXT FISCAL YEAR AND SUBMIT IT TO THE
- 6 ADVISORY COMMITTEE ESTABLISHED UNDER § 9-317 OF THIS SUBTITLE.
- 7 (B) BY NOVEMBER 1 OF EACH YEAR, THE ADVISORY COMMITTEE SHALL
- 8 REVIEW THE TENTATIVE OPERATING BUDGET AND MAKE RECOMMENDATIONS TO
- 9 THE COMMISSION AS TO ANY CHANGES IN ANY BUDGET AREA OF THE COMMISSION.
- 10 (C) THE COMMISSION SHALL GIVE DUE CONSIDERATION TO THE
- 11 RECOMMENDATIONS OF THE ADVISORY COMMITTEE PRIOR TO SUBMITTING THE
- 12 COMMISSION'S FINAL BUDGET TO THE GOVERNOR.
- 13 (D) BY DECEMBER 1 OF EACH YEAR, THE ADVISORY COMMITTEE SHALL
- 14 SUBMIT A REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE
- 15 GOVERNMENT ARTICLE, TO THE GENERAL ASSEMBLY ON THE RECOMMENDATIONS
- 16 THAT IT MADE TO THE COMMISSION ON THE COMMISSION'S NEXT FISCAL YEAR
- 17 BUDGET.
- 18 (E) THE GOVERNOR SHALL GIVE DUE CONSIDERATION TO THE
- 19 RECOMMENDATIONS OF THE ADVISORY COMMITTEE.
- 20 9-319.
- 21 (A) THERE IS A WORKERS' COMPENSATION FUND THAT CONSISTS OF:
- 22 (1) ALL REVENUE RECEIVED THROUGH THE IMPOSITION AND
- 23 COLLECTION OF THE ASSESSMENT TAX UNDER § 9-316 OF THIS SUBTITLE;
- 24 (2) INCOME FROM INVESTMENTS THAT THE TREASURER MAKES FOR
- 25 THE STATE FUND; AND
- 26 (3) ANY OTHER FEE, EXAMINATION ASSESSMENT, OR REVENUE
- 27 RECEIVED BY THE COMMISSION UNDER THIS TITLE.
- 28 (B) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION, THE COMMISSION
- 29 SHALL PAY ALL FINES AND PENALTIES COLLECTED BY THE COMMISSION UNDER
- 30 THIS TITLE INTO THE GENERAL FUND OF THE STATE.
- 31 (C) THE PURPOSE OF THE FUND IS TO PAY ALL THE COSTS AND EXPENSES
- 32 INCURRED BY THE COMMISSION THAT ARE RELATED TO THE OPERATION OF THE
- 33 COMMISSION, INCLUDING:
- 34 (1) EXPENDITURES AUTHORIZED UNDER THIS TITLE;
- 35 (2) THE COST OF STATE EMPLOYEES SPECIFICALLY ASSIGNED TO THE
- 36 COMMISSION;

35

36

(I)

(II)



THE GENERAL FUND OF THE STATE; OR

A SPECIAL FUND OF THE STATE.

- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 2 October 1, 2002.