

**Department of Legislative Services**  
Maryland General Assembly  
2002 Session

**FISCAL NOTE**

Senate Bill 467

(Senator Astle)

Finance

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**Workers' Compensation - Payment of Compensation - Temporary Partial  
Disability**

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This bill increases the amount of compensation that an employer or its insurer must pay to a covered employee if the employee's wage earning capacity is decreased while temporarily partially disabled.

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**Fiscal Summary**

**State Effect:** Potential minimal increase in State workers' compensation expenditures (all funds).

**Local Effect:** Potential minimal increase in workers' compensation expenditures for local governments.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** If a covered employee's wage earning capacity is decreased while temporarily partially disabled, the employer or its insurer will pay the covered employee compensation that equals 66 2/3% of the difference between:

- the average weekly wage of the covered employee; and
- the wage earning capacity of the covered employee in the same or other employment while temporarily partially disabled.

Additionally, this compensation must not exceed the State average weekly wage.

**Current Law:** Under current law a covered employee who is temporarily partially disabled and whose wage earning capacity has decreased as a result of the disability, may receive covered employee compensation that equals 50% of the difference between:

- the average weekly wage of the covered employee; and
- the wage earning capacity of the covered employee in the same or other employment while temporarily partially disabled.

Additionally, this compensation must not exceed 50% of the State average weekly wage.

**Background:** The estimated average weekly wage as established by the Department of Labor, Licensing, and Regulation is approximately \$700.

**State Expenditures:** The Injured Workers' Insurance Fund (IWIF) advises that while this bill raises temporary partial disability payments, these payments represent a small part of the overall compensation that IWIF pays. IWIF estimates that the bill would increase overall expenditures by less than 0.2%.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** HB 791 (Delegate Moe, *et al.*) - Economic Matters.

**Information Source(s):** Uninsured Employers' Fund, Workers' Compensation Commission, Injured Workers' Insurance Fund, Subsequent Injury Fund, Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2002  
lsc/mdr

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