
By: **Delegate Mitchell**

Introduced and read first time: February 5, 2003

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation Commission - Setting Fees for Legal Services**

3 FOR the purpose of prohibiting the State Workers' Compensation Commission from
4 setting fees for legal services by regulation on or after a certain date; requiring
5 that on or after a certain date any changes to fees for legal services be enacted
6 by the General Assembly through legislation; and generally relating to fees for
7 legal services for workers' compensation claims.

8 BY repealing and reenacting, with amendments,
9 Article - Labor and Employment
10 Section 9-731
11 Annotated Code of Maryland
12 (1999 Replacement Volume and 2002 Supplement)

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

15 **Article - Labor and Employment**

16 9-731.

17 (a) (1) Unless approved by the Commission, a person may not charge or
18 collect a fee for:

19 (i) legal services in connection with a claim under this title;

20 (ii) medical services, supplies, or treatment provided under Subtitle
21 6, Part IX of this title; or

22 (iii) funeral expenses under Subtitle 6, Part XIII of this title.

23 (2) When the Commission approves a fee, the fee is a lien on the
24 compensation awarded.

25 (3) Notwithstanding paragraph (2) of this subsection, a fee shall be paid
26 from an award of compensation only in the manner set by the Commission.

1 (b) (1) The Commission may order that a fee payable from compensation
2 under subsection (a) of this section be paid in a lump sum.

3 (2) If the Commission grants a lump-sum payment under paragraph (1)
4 of this subsection, the Commission shall:

5 (i) reduce the weekly rate of compensation until the amount of the
6 lump sum would have been paid if it had been paid in weekly payments; and

7 (ii) state in the award the dollar amount and the number of weeks
8 that the reduced rate shall be paid by:

9 1. the employer or its insurer; or

10 2. if payments are made from the Subsequent Injury Fund,
11 the Subsequent Injury Fund.

12 (c) On application of a party, the Commission may:

13 (1) hear and decide any question concerning legal services performed in
14 connection with a claim; and

15 (2) order a person who received a fee for legal services to refund to the
16 payer any part of the fee that the Commission may find to be excessive.

17 (d) An order of the Commission regulating payment or refund of payment for
18 legal services may be enforced or appealed in the same manner as a compensation
19 award.

20 (E) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE
21 FEES FOR LEGAL SERVICES SHALL BE AS SET IN REGULATIONS ADOPTED BY THE
22 COMMISSION.

23 (2) ON OR AFTER OCTOBER 1, 2003:

24 (I) THE COMMISSION MAY NOT ADOPT REGULATIONS TO SET FEES
25 FOR LEGAL SERVICES; AND

26 (II) ANY CHANGE TO FEES FOR LEGAL SERVICES SHALL BE
27 ENACTED BY THE GENERAL ASSEMBLY THROUGH LEGISLATION.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
29 effect October 1, 2003.