
By: **Chairman, Economic Matters Committee (By Request - Departmental -
Workers' Compensation Commission)**

Introduced and read first time: January 20, 2006

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 28, 2006

CHAPTER _____

1 AN ACT concerning

2 **Workers' Compensation - Governmental Self-Insurance Group and**
3 **Self-Insurance by Individual Employers**

4 FOR the purpose of increasing certain maximum limits on the amount that the
5 Workers' Compensation Commission may assess governmental self-insurance
6 groups and self-insured employers; and generally relating to Workers'
7 Compensation Commission self-insurance.

8 BY repealing and reenacting, without amendments,
9 Article - Labor and Employment
10 Section 9-404(a) and 9-405(a)
11 Annotated Code of Maryland
12 (1999 Replacement Volume and 2005 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article - Labor and Employment
15 Section 9-404(i) and 9-405(e)
16 Annotated Code of Maryland
17 (1999 Replacement Volume and 2005 Supplement)

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

1

Article - Labor and Employment

2 9-404.

3 (a) The Commission shall adopt regulations setting procedures and other
4 requirements for a governmental self-insurance group to establish joint
5 self-insurance coverage.

6 (i) (1) To be informed of the continuing financial responsibility of each
7 governmental self-insurance group, the Commission:

8 (i) shall require each governmental self-insurance group to submit
9 a report at least once each year; and

10 (ii) may examine the governmental self-insurance group under
11 oath and make other examination of the business of the governmental self-insurance
12 group.

13 (2) Each year, the Commission shall assess each governmental
14 self-insurance group an amount not exceeding [\$500] \$1,500 to be used for actuarial
15 studies and audits.

16 9-405.

17 (a) Each employer who wants to self-insure under this section shall satisfy
18 the Commission that the employer is financially able to pay compensation.

19 (e) (1) To be informed of the continuing financial responsibility of each
20 employer who self-insures under this section, the Commission:

21 (i) shall require each employer to submit a report at least once
22 each year; and

23 (ii) may examine the employer under oath and make other
24 examination of the business of the employer.

25 (2) Each year, the Commission shall assess each self-insured employer
26 an amount not exceeding [\$500] \$1,500 to be used for actuarial studies and audits.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
28 effect July 1, 2006.

