

HB 1053

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 1053 (Delegate Goodwin)
Economic Matters

Workers' Compensation - Permanent Partial Disability - Office of the Sheriff of Baltimore City

This bill adds Baltimore City deputy sheriffs to the list of public safety employees entitled to receive increased benefits for permanent partial disabilities (PPDs) under the State's workers' compensation laws. Deputy sheriffs who are awarded PPD claims of less than 75 weeks would be compensated at the rate used for awards of 75-250 weeks for nonpublic safety claims, that is two-thirds of the average weekly wage of the employee, not to exceed one-third of the State average weekly wage.

Fiscal Summary

State Effect: The bill would not materially affect State government operations.

Local Effect: Baltimore City is self-insured for workers' compensation. Workers' compensation awards could increase by at least \$320,000 annually.

Small Business Effect: None.

Analysis

Current Law: Public safety employees entitled to receive enhanced workers' compensation benefits for PPDs for periods of less than 75 weeks include specified volunteer and paid firefighters, paramedics, and police officers. A public safety employee entitled to the enhanced benefits is entitled to two-thirds of his or her average weekly wage, not to exceed one-third of the State average weekly wage. The average State weekly wage for 2006 is \$801.

Background: Chapter 303 of 2001 included Prince George's County deputy sheriffs and Chapter 203 of 2004 included Montgomery County deputy sheriffs in the definition of a public safety employee for purposes of PPD benefit calculations.

There are currently 188 sworn positions in the Baltimore City Office of the Sheriff, which has an operating budget of \$10.3 million.

Local Fiscal Effect: Baltimore City advises that the cost per claim would easily double the current workers' compensation costs for deputy sheriffs from \$320,000 to \$640,000 annually. Injured employees in the Office of the Sheriff receive benefits of \$144 per week during 2006 but would receive \$267 per week under the provision of the bill. In fiscal 2005, the Office of the Sheriff had 47 workers' compensation claims with a total incurred cost of \$330,000. Those eligible for the PPD accounted for \$320,000 of the total. If those claims were eligible for the enhanced benefits under the bill the total incurred cost would have been \$640,000.

Additional Information

Prior Introductions: None.

Cross File: SB 412 (Senator Conway, *et al.*) – Finance.

Information Source(s): National Council on Compensation Insurance, Uninsured Employers' Fund, Workers' Compensation Commission, Injured Workers' Insurance Fund, Subsequent Injury Fund, Maryland Insurance Administration, Baltimore City, Department of Legislative Services

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