

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

House Bill 209
Economic Matters

(Delegate Rudolph)

Finance

Cecil County - Workers' Compensation - Students in Unpaid Work-Based Learning Experiences

This bill authorizes the Cecil County Board of Education to waive the requirement that an employer reimburse the board for providing workers' compensation coverage for students in an unpaid work-based learning experience.

Fiscal Summary

State Effect: None.

Local Effect: Potential minimal decrease in expense reimbursements for the Cecil County Board of Education if it waives the requirement for employer reimbursement.

Small Business Effect: Potential minimal benefit for small employers that participate in the work-based learning experience if Cecil County waives the reimbursement requirement.

Analysis

Current Law: Chapter 354 of 2003 provides that a county board of education that places a student in a structured, unpaid work-based learning experience with an employer may choose to secure workers' compensation coverage for the student. The employer is otherwise responsible to secure workers' compensation coverage for the student. If a board secures the coverage, the participating employer must reimburse the board the lesser of the cost of the workers' compensation premium or \$250 and the student is considered to be an employee of the employer under the workers' compensation law. The student is covered against medical expenses that result from an injury while engaged

in an unpaid work-based learning experience. The law was applicable to students in unpaid work-based learning experiences beginning with the 2003-2004 school year.

With certain exceptions, the liability of an employer under the workers' compensation law is exclusive, and the compensation provided to a covered employee under the law is in place of any right of action against any person. When a person other than an employer is liable for a compensable injury, the covered employee may either file a workers' compensation claim against the employer or bring an action for damages against the person liable for the injury.

Background: The number of students in work-based learning experiences is not readily available. Unpaid work-based learning experience is a program that provides a student with structured employer-supervised learning that occurs in the workplace, links with classroom instruction, is coordinated by a county board of education, and is conducted in accordance with the terms of an individual written work-based learning agreement between the board and the employer.

Local Fiscal Effect: Because this is enabling legislation, any decrease in employer reimbursements for the cost of providing workers' compensation coverage for students cannot be accurately estimated at this time. However, any decrease in reimbursements to the Cecil County Board of Education is assumed to be minimal.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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