Department of Legislative Services

Maryland General Assembly 2007 Session

FISCAL AND POLICY NOTE

House Bill 783 (Montgomery County Delegation)

Economic Matters Finance

Workers' Compensation - Montgomery County Correctional Officers MC 705-07

This bill makes Montgomery County correctional officers eligible for enhanced workers' compensation benefits for permanent partial disabilities. Correctional officers who are awarded claims of fewer than 75 weeks would instead be compensated at the rate for awards of 75 to 250 weeks. Montgomery County must pay a correctional officer two-thirds of the correctional officer's average weekly wage, not to exceed one-third of the State average weekly wage.

Fiscal Summary

State Effect: None.

Local Effect: Montgomery County expenditures would increase by approximately \$349,000 annually, as the county is self-insured for workers' compensation. County revenues would not be affected.

Small Business Effect: None.

Analysis

Current Law: Certain public safety employees, including specified volunteer and paid firefighters, paramedics, and police officers, are entitled to receive enhanced workers' compensation benefits for permanent partial disabilities of fewer than 75 weeks. A public safety employee who qualifies for the enhancement is entitled to two-thirds of his

or her average weekly wage, not to exceed one-third of the State average weekly wage. The current State average weekly wage is \$848.

Background: Chapter 553 of 2005 added Montgomery County correctional officers to the occupational disease presumption provisions of the workers' compensation laws for officers suffering from heart disease or hypertension resulting in partial or total disability or death. The legislation also required correctional officers to provide a baseline medical report of existing heart disease or hypertension. The employee is entitled to the presumption only if the severity of the condition exceeds that reported in the baseline medical evaluation.

Local Expenditures: This bill would make Montgomery County correctional officers eligible for enhanced workers' compensation benefits for permanent partial disabilities of fewer than 75 weeks. This change would be consistent with treatment of Montgomery County deputy sheriffs, who are eligible for the presumption of occupational disease and qualify for enhanced benefits for permanent partial disabilities of fewer than 75 weeks.

Montgomery County advises that the bill would make an additional 330 correctional officers eligible for enhanced permanent partial disability benefits. An estimated 15 permanent partial disability claims are filed each year by these correctional officers, resulting in total payments of \$181,000. Montgomery County estimates that expenditures could increase by \$349,000 if the bill is enacted, which accounts for the value of the enhanced benefits and the potential increase in the number of claims filed.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery County, Workers' Compensation Commission, Injured Workers' Insurance Fund, Department of Legislative Services

Fiscal Note History: First Reader - February 26, 2007

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