

**Department of Legislative Services**  
Maryland General Assembly  
2007 Session

**FISCAL AND POLICY NOTE**

House Bill 527 (Delegates Barve and Simmons)  
Economic Matters

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**Labor and Employment - Subsequent Injury Fund - Renaming**

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This bill changes the name of the Subsequent Injury Fund (SIF) to the Prior Injury Fund.

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**Fiscal Summary**

**State Effect:** The bill's requirements could be handled with existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** SIF compensates injured workers whose preexisting injuries, diseases, or congenital conditions are substantially worsened by workplace injuries. Its purpose is to encourage the employment of individuals with disabilities by limiting an employer's liability should a subsequent occupational injury result in death or permanent disability. Employers or their insurers are only liable for damage caused by current injuries. SIF is then liable for damage from the combined effects of any injuries and conditions.

SIF receives special funds from a 6.5% assessment on (1) awards against employers or insurers for permanent disability or death; and (2) amounts payable by employers or insurers under settlement agreements, including those agreements approved by the Workers' Compensation Commission.

**Background:** The Subsequent Injury Fund was established in 1963. The fund was overseen by the Workmen’s Compensation Commission or its board until 1982, when the General Assembly established a separate Subsequent Injury Fund Board.

Among states that provide this coverage, at least 18 use the term “Second Injury Fund,” while at least 10 use the term “Subsequent Injury Fund” or a variation thereof.

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### **Additional Information**

**Prior Introductions:** HB 1163 of 2005, an identical bill, was assigned to the House Economic Matters Committee and then withdrawn.

**Cross File:** None.

**Information Source(s):** Subsequent Injury Fund, *Maryland Manual*, Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2007  
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