

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 161

(Senator Middleton)

Finance

Economic Matters

Injured Workers' Insurance Fund - Board - Term Limits

This bill alters term limits for board members of the Injured Workers' Insurance Fund (IWIF). Under the bill, a member of the board may not serve for more than either two full terms or a total of 10 years.

Fiscal Summary

State Effect: None. The change is procedural in nature and does not directly affect governmental finances. Additionally, IWIF does not receive a general fund appropriation.

Injured Workers' Insurance Fund: The bill does not directly affect IWIF finances or operations.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The board consists of nine members appointed by the Governor, with the advice and consent of the Senate. Terms are five years in length and are staggered to prevent simultaneous appointments.

Board members are permitted to serve two five-year terms, but a partial term of a year or more counts as a full term. As a result, board members appointed to a partial term of, for example, 13 months may only serve a total of six years.

Background: IWIF administers workers' compensation for the State and provides workers' compensation insurance to firms unable to procure insurance in the private market. IWIF was established in 1914 as the State Accident Fund, part of the State Industrial Accident Commission. In 1941, it became a separate agency and took its current name in 1990. IWIF only writes policies in Maryland and is the exclusive residual workers' compensation insurer in the State. IWIF cannot decline businesses that seek coverage and must adjust rates in response to changing market conditions.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Injured Workers' Insurance Fund, Department of Legislative Services.

Fiscal Note History: First Reader - February 8, 2009
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