

Department of Legislative Services  
Maryland General Assembly  
2010 Session

FISCAL AND POLICY NOTE

Senate Bill 838

(Senators Raskin and Peters)

Budget and Taxation

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Maryland Veterans - Post-Traumatic Stress Disorder - Death Benefits

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This bill requires that a death benefit of \$125,000 be paid to the surviving beneficiary of a Maryland veteran of the Iraq or Afghanistan conflict when the death of the veteran was directly connected to an exposure to psychologically traumatic events during service in those conflicts that resulted in diagnosed post-traumatic stress disorder (PTSD). In addition, the bill requires the Secretary of State to issue a State flag to the family of such a deceased veteran, which must be presented to the family by the Department of Veterans Affairs.

The bill takes effect July1, 2010.

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Fiscal Summary

**State Effect:** The bill is expected to apply in a limited number of instances and is not expected to significantly affect public safety death benefit payments in any given year. Whether additional death benefit payments under the bill would exhaust the amount budgeted for such payments cannot be reliably estimated. It is assumed that the relatively infrequent issuance of a State flag to the family of a veteran of Iraq or Afghanistan diagnosed with PTSD can be handled with the existing budgeted resources of the Secretary of State.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Current Law:** The Department of Public Safety and Correctional Services (DPSCS) is required to pay a death benefit to the surviving spouse, child, dependent parent, or estate of each of the following individuals who is killed or dies in the performance of duties: (1) a law enforcement officer; (2) a correctional officer; (3) a volunteer or career firefighter or rescue squad member; (4) a sworn member of the State Fire Marshal's Office; (5) a public safety aviation employee; (6) a Maryland resident who was a member of the uniform services of the United States serving in the Afghanistan or Iraq conflict; or (7) a hazardous material response team employee of the Maryland Department of the Environment. With the exception of a member of the armed forces serving in Afghanistan or Iraq, reasonable funeral expenses up to \$10,000 must also be paid.

Beginning in fiscal 2009, the \$125,000 death benefit is adjusted annually by the Consumer Price Index. From July 1, 2008 through June 30, 2009, the adjusted death benefit totals \$128,500. Reasonable funeral expenses, not exceeding \$10,000, must be paid to the same persons.

A death benefit under these provisions is in addition to (1) any workers' compensation benefits; (2) the proceeds of any form of life insurance, regardless of who paid the premiums; and (3) the funeral benefit provided under these provisions. The funeral benefit must be reduced by the amount of any paid and related workers' compensation benefits. Payments of death or funeral benefits must be made out of money that the Governor includes for that purpose in the State budget.

The circumstances under which an individual who dies from a heart attack or stroke is presumed to have died in the performance of duties, including that the heart attack or stroke occurred (1) while the individual was engaged in specified stressful activity; (2) while on duty after such activity; or (3) no later than 24 hours after such activity. The presumption is not overcome by competent medical evidence to the contrary.

Maryland's Secretary of State is required to issue a State flag to the family of a firefighter, police officer, member of the military, or sworn member of the office of State Fire Marshal who is killed in the performance of duty. Except when the deceased is a member of the military, the flag must be presented to the family by the State Senator of the legislative district in which the deceased resided or served. When the deceased is a member of the military, the flag must be presented to the family by the Department of Veterans Affairs.

**Background:** An additional death benefit of \$50,000 must be paid by the Department of Budget and Management (DBM) to the survivors of a public safety employee of the State who is killed in the performance of duties. Local government public safety employees

are not covered under this provision. In a typical year, DBM makes no more than one or two such payments.

An individual who receives a death benefit under this provision may not also receive the \$100,000 death benefit otherwise paid to State employees. The \$50,000 death benefit must be in addition to any (1) workers' compensation benefits; (2) proceeds of any form of life insurance; (3) benefit provided to a State employee covered by DPSCS; and (4) with a certain exception, benefits paid to a member of the Maryland National Guard, the member's estate, or the member's beneficiaries or survivors by the United States.

Chapter 519 of 2008 created a line-of-duty death benefit for members of the Employees' Retirement System, Employees' Pension System, Teachers' Retirement System, or Teachers' Pension System who are killed while performing their duties. The Act also entitles surviving minor children and dependent parents of State employees who receive the death benefit to join the State Employee and Retiree Health and Welfare Benefits Program. Effective June 1, 2008, Chapter 519 applies retroactively to any individual who died on or after January 1, 2007, as an employee of the State Highway Administration and meets the Act's criteria for the line of duty death benefit.

Members of the State Police Retirement System, the Law Enforcement Officers' Pension System, and the Correctional Officers' Retirement System are entitled to special line-of-duty death benefits for (1) the member's accumulated contributions; and (2) an amount equal to the member's annual compensation at the time of his or her death if the member has at least one year of eligible service. Beneficiaries who receive only lump sum death benefits are not eligible to participate in the State's employee and retiree health insurance program.

The surviving spouse of a member of either the Employees' Pension System or the Teachers' Pension System is entitled to an annual allowance if the member was eligible to retire, had at least 25 years of eligibility service, or was at least 55 years old and had 15 years of eligibility service.

#### *State Funding for Public Safety Death Benefits*

The fiscal 2011 State budget for DPSCS includes \$945,000 in funding to cover the death benefits for seven public safety employees, plus an additional \$1 million for eight military deaths. As shown in **Exhibit 1**, over the last four years, death benefits for public safety employees paid out by DPSCS ranged from \$0.5 million in fiscal 2006 to \$1.4 million in fiscal 2007.

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**Exhibit 1**  
**Public Safety Death Benefit Payments**  
**Fiscal 2006-2009**

<u>Fiscal</u>	<u>Number of Claims</u>	<u>Number of Claims Paid</u>	<u>Number Outstanding</u>	<u>Amount Paid</u>	<u>Amount Outstanding</u>
2006	8	8	0	\$534,616	\$0
2007	14	14	0	1,350,394	0
2008	9	7	2	896,926	270,000
2009	8	7	1	1,338,139	138,500

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**State Fiscal Effect:** According to the Maryland Department of Veterans Affairs, PTSD may occur in people who experience or witness intense violence, serious accidents, or life-threatening situations. Frequently, involvement in these situations will make people feel hopeless, fearful, horrified, and overwhelmed. According to the U.S. Department of Veterans Affairs, approximately 25% of individuals exposed to traumatic stressors go on to develop PTSD; most exposure to trauma does not result in PTSD. Therefore, evidence of exposure to such a stressor alone is not sufficient to establish a diagnosis of PTSD. In addition, the symptoms of PTSD must persist beyond 30 days. An individual who, after a trauma, experiences a full complement of PTSD symptoms for three weeks does not meet the diagnostic criteria.

The number of returning Iraq or Afghanistan veterans whose later death might be directly connected to an exposure to psychologically traumatic events during service in those conflicts that resulted in diagnosed of PTSD cannot be reliably estimated. The Maryland Department of Veteran Affairs does not know the number or percentage of returning veterans from those two conflicts who might suffer from PTSD. However, the bill is expected to apply in a limited number of instances and is not expected to significantly affect public safety death benefit payments in any given year.

According to the Secretary of State, the cost of a single State flag is \$11. The Secretary of State spends about \$3,000 annually for the issuance of State flags for all purposes. Accordingly, the Secretary of State can handle the bill's requirements with existing budgeted resources.

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Public Safety and Correctional Services, Secretary of State, Department of Veterans Affairs, Department of Legislative Services

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mpc/hlb

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