

Department of Legislative Services
Maryland General Assembly
2010 Session

FISCAL AND POLICY NOTE

House Bill 1129
Economic Matters

(Delegate Stukes, *et al.*)

Workers' Compensation - Permanent Partial Disability - Baltimore City Sheriff's Office

This bill specifies that sworn officers of the Baltimore City Sherriff's Office are eligible for enhanced workers' compensation benefits for permanent partial disabilities. Officers of the Baltimore City Sherriff's Office who are awarded claims of fewer than 75 weeks for permanent partial disabilities are compensated by Baltimore City at the higher rate for awards of 75 to 250 weeks, which is two-thirds of the officer's average weekly wage, not to exceed one-third of the State average weekly wage.

Fiscal Summary

State Effect: None. The bill only affects local government operations.

Local Effect: Potential significant increase in expenditures for Baltimore City due to the enhanced benefits established by the bill. The bill does not affect Baltimore City revenues. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: Certain public safety employees, including specified volunteer and paid firefighters, paramedics, and law enforcement officers, are entitled to receive enhanced workers' compensation benefits for permanent partial disabilities that are determined to be compensable for fewer than 75 weeks. Public safety employees who qualify for the enhancement are entitled to two-thirds of their average weekly wage, not to exceed one-third of the State average weekly wage. Currently, the maximum award that an

officer of the sheriff's office may receive for this type of injury is one-third of the employee's average weekly wage or up to 15.4% of the State average weekly wage. The State average weekly wage for calendar 2010 is \$920.

Background: In *Soper v. Montgomery County*, 294 Md. 331, 449 A.2d 1158 (1982) the Maryland Court of Appeals found that the presumption for occupational disease is not extended to deputy sheriffs in counties that have established police departments, if the duties of the deputy sheriffs are dissimilar from the primary duties performed by police officers and do not involve unusual hazards, stresses, and strains. Chapter 303 of 2001 included Prince George's County deputy sheriffs and Chapter 203 of 2004 included Montgomery County deputy sheriffs in the definition of a public safety employee for purposes of permanent partial disability benefit calculations.

Local Fiscal Effect: Like many counties in the State in regards to workers' compensation, Baltimore City is a self-insured employer. Currently, there are about 180 sworn officers in the Baltimore City Sheriff's office. Officers who are injured in the line of duty and are found to have a permanent partial disability that is compensable for less than 75 weeks are eligible for wage replacement benefits at a higher rate due to the bill.

Under current law, the maximum benefit an officer may receive is about \$142 per week for a maximum 74 weeks, or a total of about \$10,500. Under the bill, the maximum benefit is about \$307 per week, or a total of about \$22,700. Therefore, for each officer who sustains this type of injury, the city may pay a maximum of about \$12,200 more in wage replacement benefits under the bill. *For illustrative purposes only*, if the city receives 10 such claims per year, city expenditures increase by about \$122,000 annually due to the bill.

Additional Comments: Although not specified by the bill, Legislative Services assumes that the bill applies prospectively to any claims filed on or after the bill's October 1, 2010 effective date.

Additional Information

Prior Introductions: SB 412 of 2006 passed the Senate, received a favorable report from the House Economic Matters Committee, and passed the House on second reading. No further action was taken. Its cross file, HB 1053, received a hearing in the House Economic Matters Committee, but no further action was taken on the bill.

Cross File: None.

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

Fiscal Note History: First Reader - March 2, 2010
mlm/rhh

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