

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

House Bill 370
Economic Matters

(Anne Arundel County Delegation)

Finance

Workers' Compensation - Anne Arundel County Deputy Sheriff

This bill specifies that an Anne Arundel County deputy sheriff is eligible for enhanced workers' compensation benefits for a permanent partial disability. An Anne Arundel County deputy sheriff who is awarded compensation for a period of fewer than 75 weeks for a permanent partial disability is compensated by the county at an enhanced rate (equal to the rate for claims that are determined to be compensable for 75 to 250 weeks): two-thirds of the employee's average weekly wage (AWW), not to exceed one-third of the State AWW.

The bill must be construed to apply only prospectively.

Fiscal Summary

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

Local Effect: Potential significant increase in expenditures for Anne Arundel County due to increased workers' compensation benefits paid. Anne Arundel County revenues are not affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law/Background: 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 AWW, not to exceed one-third of the State AWW. Currently, the maximum award that an officer of the Anne Arundel County Sheriff's Office may receive for this type of injury is one-third of the employee's AWW or up to 16.7% of the State AWW. The State AWW for calendar 2013 is \$990.

The Maryland Court of Appeals has held that the presumption for occupational disease does not extend to deputy sheriffs in counties that have established police departments because the primary duties performed by deputy sheriffs are dissimilar from the primary duties performed by police officers and do not involve unusual hazards, stresses, and strains; therefore, deputy sheriffs in such counties are not to be accorded the presumption of compensable occupational disease otherwise accorded to police officers. *Soper v. Montgomery County*, 294 Md. 331, 449 A.2d 1158 (1982). Under current law, deputy sheriffs from Allegany, Montgomery, Prince George's, and (under specified circumstances) Howard counties are considered public safety employees for purposes of eligibility for permanent partial disability benefits.

Local Expenditures: With regards to workers' compensation, Anne Arundel County is (like many counties in the State) a self-insured employer. There are currently 72 sworn officers in the Anne Arundel County Sheriff's Office. Under the bill, any officer who is injured in the line of duty and is found to have a permanent partial disability that is compensable for fewer than 75 weeks is eligible for wage replacement benefits at a higher rate.

Under current law, the maximum benefit an officer may receive is about \$165 per week for a maximum 74 weeks, for a total of about \$12,210. Under the bill, the maximum benefit is \$330 per week, for a total of \$24,420. Thus, for each officer who sustains this type of injury, the county may pay up to \$12,210 more in wage replacement benefits under the bill. *For illustrative purposes only*, if the county receives five such claims per year, county expenditures increase by up to \$61,050 annually.

Additional Information

Prior Introductions: None.

Cross File: SB 313 (Senator Astle) - Finance.

Information Source(s): Anne Arundel County, Injured Workers' Insurance Fund, Subsequent Injury Fund, Uninsured Employers' Fund, Workers' Compensation

Commission, National Council on Compensation Insurance, Department of Legislative Services

Fiscal Note History: First Reader - February 1, 2013
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