

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE
Revised

House Bill 12
Economic Matters

(Baltimore County Delegation)

Finance

Workers' Compensation - Baltimore County Deputy Sheriff

This bill alters the definition of “public safety employee” to include a Baltimore County deputy sheriff *only* when the deputy sheriff sustains an accidental personal injury that arises out of and in the course and scope of performing duties directly related to (1) courthouse security; (2) prisoner transportation; (3) service of warrants; (4) personnel management; or (5) other administrative duties. Designation as a “public safety employee” makes these officers eligible for enhanced workers’ compensation benefits in those circumstances.

The bill must be construed to apply only prospectively and may not be applied or interpreted to have any effect on, or application to, any claims arising before the bill’s October 1, 2015 effective date.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: Baltimore County expenditures increase, perhaps significantly, due to the designation of deputy sheriffs as public safety employees under the specified circumstances, making them eligible for enhanced workers’ compensation benefits in those circumstances. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law/Background: Normally an employee who is awarded compensation for a period less than 75 weeks is eligible to receive weekly benefits of one-third of his or her average weekly wage, not to exceed 16.7% of the State average weekly wage (\$168 in 2015). Public safety employees are eligible for enhanced workers’ compensation benefits

if they are awarded compensation for less than 75 weeks. The employer or its insurer must pay the public safety employee at a compensation rate set for an award period of greater than 75 weeks but less than 250 weeks. In this situation, an employee is eligible to receive weekly benefits of two-thirds of his or her average weekly wage, not to exceed one-third of the State average weekly wage (\$335 in 2015). The State average weekly wage for 2015 is \$1,005.

Public safety employees in the State include specified firefighters, paramedics, life support workers, and police officers, as well as correctional officers and deputy sheriffs in certain jurisdictions.

Baltimore County reports that there are currently 69 deputy sheriffs employed in the county. Baltimore County also reports that compensation claims from deputy sheriffs vary greatly from year to year; there were 12 claims in fiscal 2010, 9 claims in fiscal 2011, 5 claims in fiscal 2012, 4 claims in fiscal 2013, and 8 claims in fiscal 2014. This averages to approximately 7.6 claims per year.

Local Expenditures: Baltimore County expenditures increase, perhaps significantly, due to the enhanced benefits for deputy sheriffs; however, the number of deputy sheriff claimants who will receive workers' compensation benefits in any given year cannot be reliably estimated, given the wide range of claims from year to year. Baltimore County advises that the duties specified in the bill encompass almost all of a deputy sheriff's duties. As such, most, if not all, compensable injuries are likely to occur while a deputy sheriff is performing these duties.

For illustrative purposes, it is assumed that (1) eight claims are made in fiscal 2016 for deputy sheriffs; (2) all eight of those claims are made after the bill's October 1, 2015 effective date and while a deputy sheriff is performing the duties specified by the bill; and (3) those eight claimants receive the maximum benefit possible (\$335 per week) for an average of 39 weeks. Under this scenario, Baltimore County expenditures would be \$104,520 [eight claimants * 39 weeks * \$335] to pay the weekly benefits to these claimants. However, if the eight claimants were not entitled to enhanced compensation benefits (\$168 per week maximum), Baltimore County expenditures would be \$52,416 [eight claimants * 39 weeks * \$168] to pay weekly benefits; thus, the enhanced compensation benefits would result in \$52,104 in increased expenditures in fiscal 2016.

Additional Information

Prior Introductions: None.

Cross File: SB 331 (Senator Klausmeier) - Finance.

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

Fiscal Note History: First Reader - February 9, 2015
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