



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 15, 2022

Committee: House Economic Matters

Bill: HB 501 - Labor and Employment - Workers' Compensation Claims - Fees for Legal Services

Position: Oppose

Reason for Position:

The Maryland Municipal League opposes HB 501 which allows for the Workers' Compensation Commission (WCC) to order a payment of attorney's fees of up to \$2,000 by an employer or its insurer to a claimant in certain workers compensation claims.

Historically, MML has opposed shifting attorney's fees onto government defendants in actions taken against them, and this is no exception. One main concern specifically with this bill is the lack of criteria on which the WCC uses to determine who will pay the legal fees. Prior year's fiscal note reflects our objection that this cost will likely fall on the employer or its insurance company. The incentive of possibly recouping legal costs, to be paid by a separate entity, may result in more claimants bringing claims before the WCC. Any increase in costs directly to a local government or its insurer may result in the need for increased property taxes or reduced services.

For these reasons we therefore respectfully request that the committee issue HB 501 an unfavorable report.

FOR MORE INFORMATION CONTACT:

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