Senate Bill 843

Workers' Compensation – Benefits - Hearing Loss

MACo Position: **OPPOSE**

To: Finance Committee

Date: March 5, 2024

From: Brianna January

The Maryland Association of Counties (MACo) **OPPOSES** SB 843. This bill would expand existing eligibility for workers' compensation related to hearing loss to include tinnitus and would void the current common-sense age-based deductions to account for natural, age-induced hearing loss. **Under SB 843, county expenditures to cover the new and expanded workers' compensation benefits would increase at a time when local governments find themselves in a precarious financial situation.**

Under SB 843, workers' compensation claims for tinnitus would no longer require disablement for eligibility, nor would they calculate age-based deductions to account for natural, age-induced hearing loss. Not only would benefit claims likely increase to a broader pool of workers' compensation candidates for lifetime claims, but employers would also no longer be able to fairly adjust for natural, age-induced hearing loss, greatly increasing the costliness of such claims – which are many. To put this into perspective: on average, one Maryland county receives 5-6 workers' compensation claims related to hearing loss ***per week***.

During the 2023 legislative session, the General Assembly considered HB 590, which would have made the same changes to hearing loss calculations. The legislature declined to pass that portion of the bill, reaffirming the cornerstone policy to calculate for natural, age-based hearing. Counties urge the same consideration for SB 843 and caution against the legislature setting a precedent to ignore the impacts of natural aging on physical condition and ability. Maryland's current law properly values that baseline – one that is not altered by the workplace experience of any category of workers.

Maryland's counties are facing an unprecedented wave of fiscal effects. Revenues are softening − and are even in decline − as federal support recedes from the national economy. Costs of workforce, construction, and legal liability are all mounting dramatically. Additionally, the Blueprint for Maryland's Future poses costs for education that, for each county, will absorb or exceed their projected new revenues from current sources. Furthermore, county options for generating meaningful revenues are limited, with most counties already at the state's income tax rate cap, leaving the regressive property tax as the principal remaining alternative. In this precarious setting, placing new operational or fiscal burdens on county governments is untenable and unrealistic.

The increased costs associated with SB 843 would ultimately come at the expense of essential services to Marylanders. Accordingly, MACo requests the Committee give SB 843 an **UNFAVORABLE** report.