

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE

Senate Bill 331

(Senator Klausmeier)

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 is performing law enforcement duties expressly requested, defined, and authorized in accordance with a written memorandum of understanding between the Baltimore County sheriff and other law enforcement agencies. 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 fewer 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 claim 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.

For illustrative purposes, it is assumed that (1) eight claims are made in fiscal 2016 for deputy sheriffs; (2) four of those claims are made after the bill's October 1, 2015 effective date and while a deputy sheriff is performing law enforcement duties expressly requested, defined, and authorized in accordance with a written memorandum of understanding between the Baltimore County sheriff and another law enforcement agency; and (3) those four claimants receive the maximum benefit possible (\$335 per week) for an average of 39 weeks. Under this scenario, Baltimore County expenditures would be \$52,260 [four claimants * 39 weeks * \$335] to pay the weekly benefits to these claimants. However, if the four claimants were not entitled to enhanced compensation benefits (\$168 per week maximum), Baltimore County expenditures would be \$26,208 [four claimants * 39 weeks * \$168] to pay weekly benefits; thus, the enhanced compensation benefits would result in \$26,052 in increased expenditures in fiscal 2016.

Additional Information

Prior Introductions: None.

Cross File: HB 12 (Delegate Cluster) - Economic Matters.

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 10, 2015
ncs/ljm

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