Chapter 731

(House Bill 1295)

AN ACT concerning

Workers' Compensation – Uninsured Employers' Fund – Uninsured Employer Assessments

FOR the purpose of increasing the amount of assessments that the Workers' Compensation Commission imposes against uninsured employers and directs as payment into the Uninsured Employers' Fund; and generally relating to assessments imposed on employers that have failed to secure workers' compensation insurance.

BY repealing and reenacting, with amendments,

Article – Labor and Employment Section 9–1005 Annotated Code of Maryland

(2008 Replacement Volume and 2009 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Labor and Employment

9-1005.

- (a) (1) When the Commission makes a decision on a claim for compensation against an uninsured employer, the Commission shall impose against the uninsured employer an assessment of:
 - (i) at least [\$150] \$500 but not exceeding [\$500] \$1,000; and
- (ii) 15% of any award made in the claim, not exceeding [\$2,500] **\$5,000** in any 1 claim.
- (2) (i) Notwithstanding any other provision of law, if the uninsured employer is a corporation the assets of which are not sufficient to satisfy an assessment, any officer of the corporation who has responsibility for the general management of the corporation in the State is jointly and severally liable for the assessment if the corporate officer knowingly failed to secure workers' compensation insurance.

- (ii) Notwithstanding any other provision of law, if the uninsured employer is a limited liability company the assets of which are not sufficient to satisfy an assessment, any member of the limited liability company who has responsibility for the general management of the limited liability company in the State is jointly and severally liable for the assessment if a member of the limited liability company who has general management responsibility knowingly failed to secure workers' compensation insurance.
- (b) The Commission shall direct payment of an assessment under subsection (a) of this section into the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2010.

Approved by the Governor, May 20, 2010.