

SENATE BILL 62

K1

(9lr0042)

ENROLLED BILL

— Finance/Economic Matters —

Introduced by Chair, Finance Committee (By Request – Departmental – Uninsured Employers’ Fund)

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o’clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Uninsured Employers’ Fund – ~~Solvency and Suspension and Resumption of~~**
3 **~~Assessments – Repeal Study~~**

4 FOR the purpose of ~~repealing a certain provision of law providing that the payment of~~
5 ~~assessments to the Uninsured Employers’ Fund by employers and insurers is~~
6 ~~suspended when the amount of the Fund equals at least a certain amount; repealing~~
7 ~~the requirement that the Director of the Fund notify self-insured employers and~~
8 ~~insurers of the suspension of the payment of assessments; repealing the requirement~~
9 ~~that the payment of assessments resume under certain circumstances; repealing the~~
10 ~~requirement that the Director of the Fund notify self-insured employers and~~
11 ~~insurers of the resumption of the payment of certain assessments; making a~~
12 ~~conforming change; and generally relating to the assessments paid to requiring the~~
13 ~~Executive~~ Director of the Uninsured Employers’ Fund to report to certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 committees of the General Assembly on or before a certain date; and generally
 2 relating to the Uninsured Employers' Fund.

3 ~~BY repealing and reenacting, with amendments,~~
 4 ~~Article — Labor and Employment~~
 5 ~~Section 9-1007(b)~~
 6 ~~Annotated Code of Maryland~~
 7 ~~(2016 Replacement Volume and 2018 Supplement)~~

8 ~~BY repealing~~
 9 ~~Article — Labor and Employment~~
 10 ~~Section 9-1011~~
 11 ~~Annotated Code of Maryland~~
 12 ~~(2016 Replacement Volume and 2018 Supplement)~~

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

15 **~~Article — Labor and Employment~~**

16 ~~9-1007.~~

17 ~~(b) [Notwithstanding the limit on the balance of the Fund under § 9-1011 of this~~
 18 ~~subtitle, if] IF the Board determines that the reserves of the Fund are inadequate to meet~~
 19 ~~anticipated losses, the Board may direct the Commission to assess an additional 1% under~~
 20 ~~subsection (a) of this section.~~

21 ~~§ 9-1011.~~

22 ~~(a) (1) When the amount of the Fund equals at least \$5,000,000, the payment~~
 23 ~~of assessments by employers and insurers is suspended.~~

24 ~~(2) The Director shall notify each self-insured employer and insurer of the~~
 25 ~~suspension of the payment of assessments under paragraph (1) of this subsection.~~

26 ~~(b) (1) Payment of assessments shall be resumed if:~~

27 ~~(i) the amount of the Fund becomes less than \$3,000,000 because of~~
 28 ~~payments made under § 9-1002 of this subtitle or other payments; or~~

29 ~~(ii) the Director determines that payments that are likely to be made~~
 30 ~~from the Fund in the next 3 months will reduce the amount of the Fund to less than~~
 31 ~~\$3,000,000.~~

1 ~~(2) When the payment of assessments is to be resumed under paragraph~~
2 ~~(1) of this subsection, the Director shall notify each self-insured employer and insurer that~~
3 ~~payment of assessments is to:~~

4 ~~(i) resume on a specified date; and~~

5 ~~(ii) continue until the amount of the Fund becomes at least~~
6 ~~\$5,000,000.]~~

7 (a) On or before October 1, 2019, the Executive Director of the Uninsured
8 Employers' Fund shall report to the Senate Finance Committee, the House Economic
9 Matters Committee, and the Joint Committee on Workers' Compensation Benefit and
10 Insurance Oversight, in accordance with § 2-1246 of the State Government Article, on:

11 (1) the solvency of the Uninsured Employers' Fund, including the Fund's
12 solvency during the period from October 1, 2009, 2012, through September 30, August 31,
13 2019, both inclusive; and

14 (2) whether the General Assembly should increase adjust or provide
15 authority to increase adjust the assessment required under § 9-1007 of the Labor and
16 Employment Article.

17 (b) The report required under subsection (a) of this section shall include:

18 (1) a discussion and analysis of claims made against of payments for
19 compensation to claimants made from the Uninsured Employers' Fund and payments made
20 from the Fund, including types of claims and amounts paid, from October 1, 2009,
21 September 1, 2017, through September 30, August 31, 2019, both inclusive; and

22 (2) a discussion and analysis of the Uninsured Employers' Fund's
23 prospective liabilities, including; and

24 (3) a discussion of Bethlehem Steel Corporation hearing loss claims for
25 compensation.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2019.