

SENATE BILL 62

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9lr0042

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Uninsured Employers' Fund)**

Requested: October 26, 2018

Introduced and read first time: January 9, 2019

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Uninsured Employers' Fund – Suspension and Resumption of Assessments –**
3 **Repeal**

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 the Uninsured
13 Employers' Fund.

14 BY repealing and reenacting, with amendments,
15 Article – Labor and Employment
16 Section 9–1007(b)
17 Annotated Code of Maryland
18 (2016 Replacement Volume and 2018 Supplement)

19 BY repealing
20 Article – Labor and Employment
21 Section 9–1011
22 Annotated Code of Maryland
23 (2016 Replacement Volume and 2018 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Labor and Employment**

2 9–1007.

3 (b) [Notwithstanding the limit on the balance of the Fund under § 9–1011 of this
4 subtitle, if] **IF** the Board determines that the reserves of the Fund are inadequate to meet
5 anticipated losses, the Board may direct the Commission to assess an additional 1% under
6 subsection (a) of this section.

7 [9–1011.

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

10 (2) The Director shall notify each self–insured employer and insurer of the
11 suspension of the payment of assessments under paragraph (1) of this subsection.

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

13 (i) the amount of the Fund becomes less than \$3,000,000 because of
14 payments made under § 9–1002 of this subtitle or other payments; or

15 (ii) the Director determines that payments that are likely to be made
16 from the Fund in the next 3 months will reduce the amount of the Fund to less than
17 \$3,000,000.

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

21 (i) resume on a specified date; and

22 (ii) continue until the amount of the Fund becomes at least
23 \$5,000,000.]

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2019.