

SENATE BILL 438

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By: **Senator Klausmeier**

Introduced and read first time: January 27, 2020

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Workers' Compensation Act – Death Benefits – Release of Claim**

3 FOR the purpose of altering the circumstances under which a dependent of a covered
4 employee who is entitled to compensation for the death of the covered employee
5 resulting from an accidental injury or occupational disease is required to be paid
6 certain workers' compensation death benefits; requiring the Workers' Compensation
7 Commission to establish a procedure through which a dependent of a covered
8 employee may agree to the application of a certain final compromise and settlement
9 agreement to the dependent and the release of certain death benefits; providing for
10 the application of this Act; and generally relating to workers' compensation death
11 benefits for dependents of covered employees.

12 BY repealing and reenacting, with amendments,
13 Article – Labor and Employment
14 Section 9–678 and 9–722
15 Annotated Code of Maryland
16 (2016 Replacement Volume and 2019 Supplement)

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

19 **Article – Labor and Employment**

20 9–678.

21 **[A] UNLESS THE DEPENDENT OF A COVERED EMPLOYEE AGREES TO THE**
22 **APPLICATION OF THE FINAL COMPROMISE AND SETTLEMENT AGREEMENT ENTERED**
23 **INTO UNDER § 9–772 OF THIS TITLE TO THE DEPENDENT, A** dependent of a covered
24 employee who is entitled to compensation for the death of the covered employee resulting
25 from an accidental personal injury or occupational disease shall be paid compensation in

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 accordance with this Part XII of this subtitle.

2 9-722.

3 (a) (1) Subject to approval by the Commission under subsection (c) of this
4 section, after a claim has been filed by a covered employee or the dependents of a covered
5 employee, the covered employee or dependents may enter into an agreement for the final
6 compromise and settlement of any current or future claim under this title with:

7 [(1)] (I) the employer;

8 [(2)] (II) the insurer of the employer;

9 [(3)] (III) the Subsequent Injury Fund; or

10 [(4)] (IV) the Uninsured Employers' Fund.

11 (2) **THE COMMISSION SHALL ESTABLISH A PROCEDURE THROUGH**
12 **WHICH A DEPENDENT OF A COVERED EMPLOYEE MAY AGREE TO:**

13 (I) **THE APPLICATION OF A FINAL COMPROMISE AND**
14 **SETTLEMENT AGREEMENT ENTERED INTO BY A COVERED EMPLOYEE TO THE**
15 **DEPENDENT; AND**

16 (II) **THE RELEASE OF ANY FUTURE DEATH BENEFITS BY THE**
17 **DEPENDENT AS PART OF THE FINAL COMPROMISE AND SETTLEMENT AGREEMENT**
18 **ENTERED INTO BY A COVERED EMPLOYEE TO A DEPENDENT.**

19 (b) The final compromise and settlement agreement shall contain the terms and
20 conditions that the Commission considers proper.

21 (c) A final compromise and settlement agreement may not take effect unless it
22 has been approved by the Commission.

23 (d) (1) When approved by the Commission, a final compromise and settlement
24 agreement is binding on all of the parties to the agreement.

25 (2) Unless the Commission orders otherwise, a final compromise and
26 settlement agreement between a covered employee or the dependents of a covered employee
27 and the employer or its insurer precludes the right of the covered employee or the
28 dependents of the covered employee to proceed against the Subsequent Injury Fund on the
29 claim.

30 (e) If an individual entitled to payment under a final compromise and settlement
31 agreement dies before the individual receives the total amount payable, the balance
32 payable is an asset of the estate of the individual.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
2 apply only prospectively and may not be applied or interpreted to have any effect on or
3 application to any final compromise and settlement agreements entered into before the
4 effective date of this Act.

5 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2020.