

Senate Bill No. 588

AN ACT concerning

Subsequent Injury Fund – Assessments Not a Tax

FOR the purpose of providing that the assessment payable to the Subsequent Injury Fund is not a tax; and providing that the Property and Casualty Insurance Guaranty Corporation is subject to the assessment.

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 9-806(a)

Annotated Code of Maryland

(1991 Volume and 1994 Supplement)

BY adding to

Article – Labor and Employment

Section 9-806(e)

Annotated Code of Maryland

(1991 Volume and 1994 Supplement)

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

Article – Labor and Employment

9-806.

(a) The Commission shall impose an assessment of 6.5%, payable to the Subsequent Injury Fund, on:

(1) each award against an employer or its insurer for permanent disability or death, including awards for disfigurement and mutilation; [and]

(2) each amount payable by an employer or its insurer under a settlement agreement approved by the Commission; AND

(3) EACH AMOUNT PAYABLE UNDER ITEM (1) OR (2) OF THIS SUBSECTION BY THE PROPERTY AND CASUALTY GUARANTY CORPORATION ON BEHALF OF AN INSOLVENT INSURER.

(E) THE ASSESSMENT IMPOSED UNDER THIS SECTION IS FOR PAYMENT OF CLAIMS SUBMITTED TO THE SUBSEQUENT INJURY FUND AND IS NOT A TAX INTENDED TO BENEFIT THE STATE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1995.

May 24, 1995