

(c) (1) On or before July 31 of each year, the Commission shall publish the amount of the cost of living adjustment that shall become effective on January 1 of the following year.

(2) The cost of living adjustment may not exceed 5%.

(d) The compensation payable to a covered employee under this Part V of this subtitle shall be adjusted by:

(1) multiplying the initial rate of compensation by the cost of living adjustment; and

(2) adding the product to the compensation, as adjusted, paid during the prior year.

(e) (1) If a covered employee who is entitled to compensation under this Part V of this subtitle also receives federal Social Security disability insurance benefits, the adjusted annual compensation paid shall be reduced to the extent necessary to avoid a diminution of the federal Social Security disability insurance benefits.

(2) If federal Social Security law on disability insurance benefits no longer imposes a diminution in the payment of the adjustment in compensation, payments of compensation shall be made to the full extent allowed under this section.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 1999.

Approved April 27, 1999.

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## CHAPTER 137

### (Senate Bill 53)

AN ACT concerning

#### Home Improvement Guaranty Fund - Claims

FOR the purpose of altering the maximum amount that the Home Improvement Commission may award from the Home Improvement Guaranty Fund to certain claimants under certain circumstances; providing for the construction of this Act; and generally relating to the Home Improvement Guaranty Fund.

BY repealing and reenacting, with amendments,

Article - Business Regulation

Section 8-405

Annotated Code of Maryland

(1998 Replacement Volume)

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