



House Bill 1248

Workers' Compensation – Average Weekly Wage – Volunteer Company Member

MACo Position: **OPPOSE**

To: Economic Matters Committee

Date: March 1, 2013

From: Leslie Knapp Jr.

REVISED TESTIMONY - MARCH 20, 2013

Note: MACo's original testimony on HB 1248 contained a technical error in the background paragraph. The error did not substantively affect MACo's position or arguments but this version corrects the issue.

The Maryland Association of Counties (MACo) **OPPOSES** HB 1248. The bill would alter the method of computing the average weekly wage of a volunteer firefighter for the purpose of determining workers' compensation benefits.

Under current law, a volunteer firefighter's average weekly wage is determined as either the salary the volunteer earns from other employment or, if the volunteer has no other employment, either from prior employment with a business enterprise or a de minimis amount where the volunteer has never worked.

HB 1248 would require that a volunteer firefighter's average weekly wage be the *greater of*: (1) the salary the volunteer earns from other employment; or (2) the equivalent to the base salary or wages of a professional firefighter or emergency medical technician in the jurisdiction where the accidental personal injury or last injurious exposure occurred.

The Worker's Compensation Act is a remedial statute meant to act as a wage replacement for injured workers. The statute was created to balance the interests of the injured workers, employers/insurers, and the taxpayers at large. In exchange for foregoing proof of fault, injured workers recover benefits based on lost wages. Creating a new wage for the volunteer contravenes the balance created by the Act. It transforms the Workers' Compensation Act into a tort recovery without requiring that there be a proof of fault.

Both volunteer and professional firefighters play important but distinct public safety roles in Maryland. However, this bill would blur the distinction between the benefits that accrue to a full-time professional employee and a part-time volunteer.

The bill would also increase workers' compensation costs for local governments. Statewide, over 75% of all firefighters are volunteers.¹ Volunteers, by the nature of their job, typically either work in another job part-time or do not work at all. Under HB 1248, a volunteer would almost always be entitled to an average weekly wage calculation based on the professional firefighter salary. Baltimore County estimates that its base salary for a professional firefighter is \$1,400 per week.

HB 1248 would increase costs for local governments (particularly those that are self-insured). Accordingly, MACo urges the Committee to give HB 1248 an **UNFAVORABLE** report.

¹ Legislative Handbook, Volume II, Department of Legislative Services, 2010