

WORKERS' COMPENSATION COMPLIANCE

Summary of legislative and regulatory changes

January 2025

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Massachusetts

House Bill 4772

On Jan. 9, 2025, Governor Maura Healey signed [House Bill 4772](#), which aims to modernize and clarify the Massachusetts Insurers Insolvency Fund (MIIF) authority and obligations in handling insolvent insurers.

Key provisions include:

- Increases the Fund's coverage limits for certain claims, such as up to \$50,000 per policy for unearned premium claims and up to \$500,000 per claimant for other covered claims.
- Limits the Fund's obligation to \$1 million for all first-party property loss claims arising from a single occurrence, and \$500,000 for all cybersecurity insurance claims related to a single insured event.
- Allows the Fund to borrow funds and pledge future assessments to pay covered claims.
- Provides the Fund the right to challenge certain settlements, releases or judgments entered into prior to the insurer's insolvency.
- Exempts high net worth insureds (those with over \$25 million in net worth) from certain Fund obligations and allows the Fund to recover amounts paid on their behalf.
- Coordinates the Fund's efforts with insurance guaranty associations in other states.

All insurance companies that are licensed to provide property and casualty coverage in the commonwealth are members of MIIF and contribute to the fund to help pay out claims, [according to GFMS](#). However, over the years, the activity of the fund has been largely driven by workers' compensation claims.

Provisions of this bill apply to all liquidations commencing on or after July 1, 2025.

Legislation to watch

State legislatures are convening across the country. The following are introduced workers' compensation bills that we are closely monitoring related to benefits for work-related mental injuries.

Maine House Bill 82

On Jan. 6, 2025, [House Bill 82](#) was introduced to strike the scheduled repeal of the rebuttable presumption that the diagnosed condition of post-traumatic stress disorder (PTSD) arose out of and in the course of a worker's employment as long as certain specified conditions are met and if that worker is a:

- Law enforcement officer
- Corrections officer
- E-911 dispatcher
- Firefighter or emergency medical services worker

The rebuttable presumption is scheduled to be repealed on Oct. 1, 2025. The bill is currently pending before the Committee on Labor.

New York Senate Bill 755/Assembly Bill A1677

As agreed, when Gov. Kathy Hochul signed [Senate Bill 6635/Assembly Bill 5746](#), [Senate Bill 755/Assembly Bill A1677](#) was introduced on Jan. 8, 2025, as a chapter amendment. If passed as introduced, these bills will:

- Restore the current law for first responders with respect to extraordinary workplace stress.
- Require employees other than first responders to show a diagnosis of PTSD, acute stress disorder or major stress disorder with submission of medical evidence.
- Clarify that all employees other than first responders must demonstrate that the disorder arose out of extraordinary work-related stress attributable to a distinct work-related event or events directly related to employment and occurring during the performance of the employee's job duties.
- Specify that these provisions do not apply to a claim for mental injury due to a work-related physical injury.
- Extend the effective date to 180 days after the bill becomes law.

This legislation is expected to pass during this session and on Jan. 13, 2025, was ordered to a third reading before the state Senate.

The information contained within this document is intended to provide summary level information on proposed or enacted laws related to family and medical leave. It is not intended to provide guidance on the application of these legal requirements or as an update to your company's attendance and/or leave policies. We recommend you consult with legal counsel to determine what changes, if any, should be applied to company policy.

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