

L.D. 42

STATE OF MAINE HOUSE OF REPRESENTATIVES (Filing No. H-49) 109TH LEGISLATURE FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 25, L.D. 42, Bill, "AN ACT to Exempt Small Business men from the Workers' Compensation Law."

Amend the Bill by striking out everything after the enacting clause and inserting in its place the following:

'Sec. 1. 39 MRSA §2, sub-§1-A, as enacted by PL 1975, c. 749, §2, is amended to read:

<u>1-A.</u> Private employer. The term "private employer" includes corporations, partnerships and natural persons. <u>After</u> January 1, 1980, an employer is not included if:

A. He does not employ more than 5 persons regularly in the usual course of business; and

B. Each new employee states in writing that he waives all benefits and privileges provided by this Act and that he was informed of his right to be covered under this Act. This waiver cannot be exercised by employees currently insured under this Act as long as they work for their current employer.

Sec. 2. 39 MRSA §2, sub-§5, ¶A, sub-¶(6) is enacted to read: (6) Any employee of a business which does not employ more than 5 persons regularly in the usual course of the business and who has waived in writing all benefits and privileges of the Workers' Compensation Act. Committee Amendment "A" to H.P. 25, L.D. 42 -2

Sec. 3. 39 MRSA §2, sub-§6, as amended by PL 1973, c. 746, §2, is repealed.

Sec. 4. 39 MRSA §21, first and 2nd¶¶, as amended, are repealed.
Sec. 5. 39 MRSA §21, sub-§1 is enacted to read:

1. Private employers. Every private employer shall be subject to this Act and shall secure the payment of compensation in conformity with sections 21 to 27 with respect to employees other than those engaged in domestic service or in agriculture as seasonal or casual farm laborers, subject to the provisions hereinafter stated.

Any private employer who has not secured the payment of compensation under sections 21 to 27 shall, in a civil action brought by the employee other than one engaged in domestic service or in agriculture as a seasonal or casual farm laborer to recover for personal injuries or death arising out of and in the course of his employment, not be entitled to the defenses set forth in section 3 and the employee of any such employer may in lieu of bringing such a civil action claim compensation from that employer under the provisions of this Act.

Sec. 6. 39 MRSA §24, as last amended by PL 1977, c. 696, §403, is further amended by adding at the end a new paragraph to read:

For the purposes of becoming subject to this Act under this section, the term "private employer" includes any corporation, partnership or natural person who does not employ more than 5 persons regularly in the usual course of the business.' Committee Amendment "A" to H.P. 25, L.D. 42

## Statement of Fact

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This amendment has 2 purposes:

 To require that before an employer can be exempted from being insured under the Workers' Compensation Act, each of the employees must sign a waiver of all workers' compensation benefits and privileges; and

2. To prevent employees currently insured under the Workers Compensation Act from being forced to waive their rights to continued insurance and to clarify which employers would qualify under this exemption.

Reported by the Minority of the Committee on Labor Reproduced and distributed under the direction of the Clerk of the House. 3/2/79 (Filing No. H-49)