

MAINE STATE LEGISLATURE

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L.D. 714

(Filing No. H-259)

STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 530, L.D. 714, Bill, "An Act to Amend the Workers' Compensation Laws"

Amend the bill in section 2 in paragraph D by striking out all of the first 5 lines (page 1, lines 45 to 49 in L.D.) and inserting in their place the following:

'D. Employers of 6 or fewer employees, if the employer maintains an employer's liability insurance policy in an amount no less than \$1,000,000, coverage for health care in an amount no less than \$100,000 and disability income insurance that will be available to pay claims for incapacity for up to 12 weeks at benefit levels consistent with sections 212 and 213.'

Further amend the bill in section 2 in paragraph D in subparagraph (2) in the 2nd line (page 2, line 10 in L.D.) by striking out the following: "10" and inserting in its place the following: '6'

Further amend the bill in section 2 in paragraph D by inserting after subparagraph (2) the following:

'(3) An employer who maintains employers' liability coverage and health care coverage under this paragraph retains any liability that employer may have for assessments under Title 24-A, section 2386-A as if the employer continued to secure the payment of compensation under this section.'

Further amend the bill by inserting at the end before the statement of fact the following:

COMMITTEE AMENDMENT

H. of S.

FISCAL NOTE

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This bill may increase the number of filings of less expensive employer liability policies which may reduce insurance premium taxes. The reduction of undedicated General Fund revenue can not be determined at this time.

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The Bureau of Insurance will incur some minor additional costs to administer the increased number of filings of employer liability filings. These costs can be absorbed within the bureau's existing budgeted resources.'

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STATEMENT OF FACT

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This amendment is the minority report of the Joint Standing Committee on Banking and Insurance. The amendment allows employers of 6 or fewer employees to choose not to utilize the workers' compensation system and requires those employers to maintain liability insurance of \$1,000,000, health care coverage of \$100,000 and disability income coverage for 12 weeks of benefits at levels consistent with the Maine Revised Statutes, Title 39-A, sections 212 and 213. The amendment provides that employers who maintain coverage in this manner are still responsible for assessment under Title 24-A, section 2386-A, the fresh start provisions of workers' compensation insurance.

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This amendment adds a fiscal note to the bill.

Reported by the Minority of the Committee on Banking and Insurance
Reproduced and distributed under the direction of the Clerk of the House
5/7/93 (Filing No. H-259)