

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

No. 714

H.P. 530

House of Representatives, February 25, 1993

An Act to Amend the Workers' Compensation Laws.

Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative PLOURDE of Biddeford.
Cosponsored by Senator VOSE of Washington and
Representatives: AHEARNE of Madawaska, ANDERSON of Woodland, BRUNO of Raymond,
CARON of Biddeford, CARR of Sanford, CARROLL of Gray, COFFMAN of Old Town,
DiPIETRO of South Portland, DRISCOLL of Calais, FITZPATRICK of Durham, GOULD of
Greenville, GRAY of Sedgwick, HEINO of Boothbay, HOGLUND of Portland, HOLT of Bath,
HUSSEY of Milo, JOHNSON of South Portland, KILKELLY of Wiscasset, KUTASI of
Bridgton, LARRIVEE of Gorham, LIBBY of Buxton, LORD of Waterboro, MELENDY of
Rockland, REED of Dexter, STEVENS of Sabattus, STROUT of Corinth, TARDY of Palmyra,
TUFTS of Stockton Springs, VIGUE of Winslow, Senators: BUSTIN of Kennebec,
CIANCHETTE of Somerset, KIEFFER of Aroostook, LUTHER of Oxford, SUMMERS of
Cumberland.

Be it enacted by the People of the State of Maine as follows:

2
4 Sec. 1. 39-A MRSA §401, sub-§1, ¶¶B and C, as enacted by PL
1991, c. 885, Pt. A, §8 and affected by §§9 to 11, are amended to
6 read:

8 B. Employers of employees engaged in agriculture or
aquaculture as seasonal or casual laborers, if the employer
maintains coverage by an employer's liability insurance
10 policy with total limits of not less than \$25,000 and
medical payment coverage of not less than \$1,000.

12 (1) As used in this subsection, "casual" means
14 occasional or incidental. "Seasonal" refers to
laborers engaged in agricultural or aquacultural
16 employment beginning at or after the commencement of
the planting or seeding season and ending at or before
18 the completion of the harvest season; and

20 C. Employers of 6 or fewer agricultural or aquacultural
laborers, if the employer maintains an employer's liability
22 insurance policy with total limits of not less than \$100,000
multiplied by the number of agricultural or aquacultural
24 laborers employed by that employer and medical payment
coverage of not less than \$1,000.

26 (1) In computing the number of agricultural or
28 aquacultural laborers under this paragraph, immediate
family members of unincorporated employers, immediate
30 family members of bona fide owners of at least 20% of
the outstanding voting stock of an incorporated
32 agricultural employer and seasonal and casual workers
are not included. For the purposes of this
34 subparagraph, "immediate family members" means
parents, spouse, brothers, sisters and children.

36 (2) This exemption does not apply if the employer has
38 employed more than 6 agricultural or aquacultural
laborers in regular and concurrent manner, as computed
40 under subparagraph 1, at any time during the 52 weeks
immediately preceding the injury; and

42 Sec. 2. 39-A MRSA §401, sub-§1, ¶D is enacted to read:

44 D. Employers of 10 or fewer employees, if the employer
46 maintains an employer's liability insurance policy with
total limits of not less than \$100,000 multiplied by the
48 number of employees employed by that employer and medical
payment coverage of not less than \$1,000.

50 (1) In computing the number of employees under this
52 paragraph, seasonal and casual workers, immediate

2 family members of unincorporated employers and
4 immediate family members of bona fide owners of at
6 least 20% of the outstanding voting stock of an
8 incorporated employer are not included. For the
10 purposes of this subparagraph, "immediate family
12 members" means parents, spouse, brothers, sisters and
14 children.

16 (2) This exemption does not apply if the employer has
18 employed more than 10 employees in regular and
20 concurrent manner, as computed under subparagraph (1),
22 at any time during the 52 weeks immediately preceding
24 the injury.

26

STATEMENT OF FACT

20 This bill allows small businesses with 10 or fewer employees
22 to maintain employer's liability and medical payment insurance
24 instead of workers' compensation insurance. It is modeled on the
26 existing provision that applies to employees of small
agricultural employers. This provision does not permit the small
employer to go without any insurance; an employer who is refused
employer's liability insurance would still be required to obtain
workers' compensation insurance.