



121st MAINE LEGISLATURE

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Legislative Document

No. 658

H.P. 488

House of Representatives, February 11, 2003

An Act To Improve the Operation of the Workers' Compensation Board

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. Mac failand

MILLICENT M. MacFARLAND Clerk

Presented by Representative SMITH of Van Buren. Cosponsored by Senator EDMONDS of Cumberland and Representatives: CANAVAN of Waterville, DUPLESSIE of Westbrook, HATCH of Skowhegan, HUTTON of Bowdoinham, PATRICK of Rumford, Senator: MARTIN of Aroostook.

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

Sec. 1. 39-A MRSA §151, sub-§1, as enacted by PL 1991, c. 885, 4 Pt. A, §8 and affected by §§9 to 11, is amended to read:

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6 1. Board established. Pursuant to Title 5, section 12004-G, subsection 35, the Workers' Compensation Board is established as 8 an independent board composed of 8 members. The members of the board must be appointed by the Governor within 30 days after a 10 new board member is authorized or a vacancy occurs, subject to review by the joint standing committee of the Legislature having jurisdiction over state-and -local-government labor matters and 12 confirmation by the Legislature. Notwithstanding the provisions 14 of Title 3, section 151, the designated committee shall complete its review of the appointments of the Governor within 15 days of 16 the Governor's written notice of appointment and the vote of the Legislature must be taken no later than 7 days after the vote of 18 the designated committee.

20 Four members of the board must be representatives of management and 4 members must be representatives of labor. All management 22 representatives must be appointed from a list provided by the Maine Chamber of Commerce and Industry or other bona fide 24 organization or association of employers. A11 labor representatives must be from a list provided by the Executive 26 Board of the Maine AFL-CIO or other bona fide labor organization or association of employees representing at least 10% of the Any list submitted to the Governor must have 28 Maine work force. at least 4 times the number of names as there are vacancies for 30 the group represented by the vacancies.

- 32 A member of the board is not liable in a civil action for any act performed in good faith in the execution of duties as a board 34 member.
- A member of the board may not be a lobbyist required to be registered with the Secretary of State, a service provider to the
 workers' compensation system or a representative of a service provider to the workers' compensation system.
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Members of the board hold office for staggered terms of 4 years,
 except for the initial members of the board. The terms of one member representing management and one member representing labor
 expire February 1st of each year. A member may not serve for more than 2 full terms.

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The Governor shall initially designate one member representing management and one member representing labor for terms expiring February 1, 1994; one member representing management and one member representing labor for terms expiring February 1, 1995; one member representing management and one member representing 2 labor for terms expiring February 1, 1996; and one member representing management and one member representing labor for 4 terms expiring February 1, 1997.

Pt. A, §8 and affected by §§9 to 11, is amended to read:

Sec. 2. 39-A MRSA §151, sub-§5, as enacted by PL 1991, c. 885,

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- 5. Voting requirements. The board may take action only by majority vote of its membership. Decisions--regarding--the employment--of--an--executive--director--and--the--appointment--and retention-of-hearing-officers-require-the-affirmative-votes-of-at least--2-board--members--representing-management--and--at-least--2 board-members-representing-labor-
 - Sec. 3. 39-A MRSA §152, sub-§3, as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:

Employment of executive director. The board shall 3. employ an executive director who shall conduct the day-to-day 20 operations of the board in accordance with policies established by the board and otherwise implement board policy. 22 Except as otherwise provided, the executive director shall,---at---the direction-of-the-beard, appoint the directors of the bureaus and 24 divisions of the board and their deputies and assistants and hire personnel as necessary to administer this Act, subject to the 26 Civil Service Law. The executive director is-an-unclassified employee-serving-at-the-pleasure of the beard holds office for a 28 5-year term. The executive director may be removed only by a 30 vote of a majority of the board.

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Sec. 4. 39-A MRSA §152, sub-§4, as amended by PL 1997, c. 486, §2, is further amended to read:

4. Employment of general counsel. The board shall employ a general counsel, who is the legal adviser to the board and who 36 shall perform such other duties as may be assigned by the board, and assistants as necessary. The general counsel and-assistants 38 to-the-general-counsel-are-unclassified-employees,-serve-at-the pleasure - of - the - beard - and - are - not - subject - to - the - Civil - Service 40 Law holds office for a 5-year term. The general counsel may be 42 removed only by a vote of the majority of the board. Except as otherwise provided, the general counsel shall hire personnel as 44 necessary to administer the general counsel's duties under this Act, subject to the Civil Service Law.

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The beard <u>general counsel</u> shall appoint a staff attorney to advise the advocates pursuant to section 153-A. The staff attorney is subject to the Civil Service Law and works under the direction of the general counsel.

2 Sec. 5. 39-A MRSA §152. sub-§§5 and 6. as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, are repealed. 4 Sec. 6. 39-A MRSA §152-A is enacted to read: 6 §152-A. Duties of executive director 8 1. Preparation of budget. Subject to review and approval 10 by the board, the executive director shall submit the biennial budget in accordance with Title 5, sections 1665 and 1666 and 12 shall submit the annual budget in accordance with Title 5, section 1667. 14 2. Hearing officers. The executive director shall obtain 16 the services of persons qualified by background and training to serve as hearing officers, who shall conduct all adjudicatory 18 hearings arising under section 315, all proceedings ancillary to such hearings except as otherwise provided in this Title and any 20 other adjudicatory proceedings of the board as assigned at the discretion of the executive director. The services of hearing officers may be obtained by either of the following methods: 22 24 A. The executive director may contract for the services of hearing officers. If the executive director contracts directly with individual hearing officers, they must be paid 26 reasonable per diem fees for their services plus 28 reimbursement of their actual, necessary and reasonable expenses incurred in the performance of their duties, consistent with policies established by the board; or 30 32 B. The executive director may appoint hearing officers to serve for 5-year terms. Hearing officers appointed pursuant to this paragraph are not subject to the Civil Service Law, 34 are subject to removal by the executive director for good 36 cause shown and may be appointed for additional 5-year terms at the pleasure of the executive director. 38 Sec. 7. 39-A MRSA §154, sub-§2, as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read: 40 Expenditures Except as provided in 42 2. Expenditures. subsection 2-A, expenditures from the Workers' Compensation Board Administrative Fund are subject to legislative approval and 44 allocation in the same manner as appropriations are made from the The joint standing committee of the Legislature General Fund. 46 having jurisdiction over appropriations and financial affairs shall approve the allocation. 48

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Sec. 8. 39-A MRSA §154, sub-§2-A is enacted to read:

2 4 6	2-A. Unanticipated expenses. Without legislative approval and allocation, the board may authorize expenditures of up to 10% of the Workers' Compensation Board Administrative Fund in a fiscal year for unanticipated expenses.
8	SUMMARY
10	This bill makes the following changes to the laws governing workers' compensation.
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14	1. It provides that appointments to the Workers' Compensation Board be reviewed by the joint standing committee of the Legislature having jurisdiction over labor matters, rather
16	than state and local government matters.
18	2. It authorizes the Workers' Compensation Board to appoint only the general counsel and the executive director, and
20 22	authorizes the general counsel and the executive director to hire the remaining personnel. Under this bill, the executive director
22	may either appoint or contract with hearing officers.
24	3. It establishes 5-year terms for the executive director, the general counsel and the appointed hearing officers of the
26	Workers' Compensation Board.
28	4. It specifies that the executive director and the general counsel are removable on the vote of a simple majority of the
30	board.
32	5. It directs the executive director to submit the biennial and annual budgets.
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36	6. It authorizes the board, without legislative approval and allocation, to expend up to 10% of the Workers' Compensation Board Administrative Fund in a fiscal year for unanticipated
38	expenses.

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