

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 54

H.P. 50

House of Representatives, January 11, 2005

An Act To Reduce Workers' Compensation Costs for Small Business Employers

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative WATSON of Bath.

Cosponsored by Representatives: PATRICK of Rumford, SMITH of Van Buren, TRAHAN of
Waldoboro.

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

4 **Sec. 1. 39-A MRSA §401, sub-§1, ¶¶B and C,** as amended by PL
2001, c. 235, §2, are further amended to read:

6 B. Employers of employees engaged in agriculture or
7 aquaculture as seasonal or casual laborers, if the employer
8 maintains coverage by an employer's liability insurance
9 policy with total limits of not less than \$25,000 and
10 medical payment coverage of not less than \$5,000.

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

18 C. Employers of agricultural or aquacultural laborers, if:

20 (3) The employer has 6 or fewer agricultural or
21 aquacultural laborers or the employer has more than 6
22 such laborers but the total number of hours worked by
23 all such laborers in a week does not exceed 240 and has
24 not exceeded 240 at any time during the 52 weeks
25 immediately preceding the injury; and

26 (4) The employer maintains an employer's liability
27 insurance policy with total limits of not less than
28 \$100,000 multiplied by the number of full-time
29 equivalent agricultural or aquacultural laborers
30 employed by that employer and medical payment coverage
31 of not less than \$5,000.

32 For purposes of this paragraph, seasonal and casual workers,
33 immediate family members of unincorporated employers and
34 immediate family members of bona fide owners of at least 20%
35 of the voting stock of an incorporated employer are not
36 considered agricultural or aquacultural laborers.
37 "Immediate family members" means parents, spouses, brothers,
38 sisters and children; and

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

40 D. Employers of 6 or fewer employees if:

41 (1) The employer maintains an employer's liability
42 insurance policy with total limits of not less than
43 \$100,000 multiplied by the number of full-time

2 equivalent employees employed by that employer and
3 medical payment coverage of not less than \$5,000; and

4 (2) The employer provides health care coverage for its
5 employees through enrollment in Dirigo Health Insurance
6 pursuant to Title 24-A, section 6910 or through a
7 health insurance policy with benefits equal to or
8 greater than those provided through Dirigo Health
9 Insurance.

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SUMMARY

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15 This bill provides employers of 6 or fewer employees with
16 exempt status under the Workers' Compensation Act of 1992 if the
17 employer maintains employer's liability insurance and medical
18 payments coverage and provides health coverage for its employees
19 through Dirigo Health Insurance or through a policy that provides
20 benefits equal to or greater than those provided through Dirigo
 Health Insurance.