

# MAINE STATE LEGISLATURE

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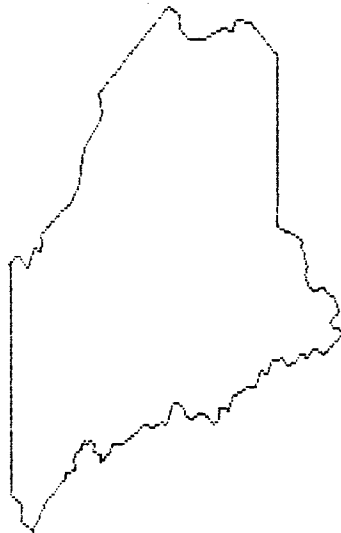


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STATE OF MAINE  
ONE HUNDRED AND ELEVENTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON  
**Business Legislation**

BILL SUMMARY



JULY, 1983

Prepared by:

William E. Saufley, Legislative Counsel  
Business Legislation Committee

Office of Legislative Assistants  
State House, Station 13      Augusta, Maine 04333  
(207) 289-2486

(INSURANCE, continued)

Workers' Compensation Insurance & Self-Insurance

| LD  | TITLE  | SPONSOR                           | DISPOSITION              |
|-----|--|-----------------------------------|--------------------------|
| 117 | AN ACT REGARDING PREMIUM DISCOUNTS FOR WORKERS' COMPENSATION INSURANCE OF SMALL BUSINESSES | BEAULIEU<br>PERKINS, A<br>POULIOT | (OTPA)<br>PL 1983, c.157 |

SUMMARY: Employers with annual payrolls up to \$200,000, and under 60% ratio of losses to earned premium would be entitled to discounts of at least 8% on annual rates.

COMMITTEE AMENDMENT "A" (H-26): Discounts may not be recovered in rates. (ADOPTED)

|     |  |                   |                          |
|-----|--|-------------------|--------------------------|
| 128 | AN ACT TO AUTHORIZE GROUP SELF-INSURERS TO ADD PARTICIPATING EMPLOYERS | MARTIN, J<br>PRAY | (OTPA)<br>PL 1983, c.303 |
|-----|--|-------------------|--------------------------|

SUMMARY: Eliminates requirement of approval of Superintendent of Insurance to the addition of members to group self-insurance plans.

COMMITTEE AMENDMENT "A" (H-176): Adds provision to the bill requiring all members of the group to receive quarterly notices by regular mail of the termination of any members of the group, and notice at time of entry into the group that liability of the members will not be affected by the addition or termination of other members by procedures complying with law and group agreements and bylaws. (ADOPTED)

|            |   |  |       |
|------------|---|--|-------|
| <b>300</b> | AN ACT RELATING TO ASSIGNED RISK PLANS IN WORKERS' COMPENSATION INSURANCE | TUTTLE<br>DUTREMBLE<br>LEWIS<br>BEAULIEU | LV/WD |
|------------|---|--|-------|

SUMMARY: Requires experience rating of the workers' compensation assigned risk pool, with surcharges of 8% to insureds with 100% or more loss ratios to earned premium, and discounts of 8% to those with ratios below 75%.

CROSS-REFERENCE: LD 117.

|     |   |  |           |
|-----|---|--|-----------|
| 495 | AN ACT TO REDUCE THE COST OF WORKERS' COMPENSATION RATES TO MAINE EMPLOYERS | MARTIN, J<br>NORTON<br>TUTTLE<br>DUTREMBLE | CARRYOVER |
|-----|---|--|-----------|

SUMMARY: Provides for exclusive state fund for workers' compensation insurance; certain self-insurance would still be allowed.

CROSS-REFERENCES; LD 497, LD 752 (and LD 1322, Labor Committee, providing for funded study of alternative funding mechanisms).