

MAINE STATE LEGISLATURE

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**STATE OF MAINE
115TH LEGISLATURE**

**FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION**

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE**

AUGUST 1991

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Sen. Raynold Theriault
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**ONE HUNDRED AND FIFTEENTH LEGISLATURE
FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION
JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1991**

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

All adopted amendments are listed, by paper number (e.g., H - 584 or S - 222), together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

PUBLIC XXX	<i>Chapter # of enacted Public Law</i>
P&S XXX	<i>Chapter # of enacted Private & Special Law</i>
RESOLVE XXX	<i>Chapter # of enacted Resolve</i>
CON RES XXX	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
EMERGENCY	<i>Enacted law takes effect sooner than 90 days</i>
CARRIED OVER	<i>Bill carried over to 2nd Session</i>
FAILED EMERGENCY ENACTMENT	<i>Bill failed to get 2/3 vote</i>
ONTP	<i>Ought Not to Pass report accepted</i>
LVWD	<i>Leave to Withdraw report accepted</i>
INDEF PP	<i>Bill Indefinitely Postponed</i>
DIED BETWEEN BODIES	<i>House & Senate disagree; bill died</i>
VETO SUSTAINED	<i>Legislature failed to override Governor's Veto</i>
UNSIGNED	<i>Not signed by Governor within 10 days</i>
DIED ON ADJOURNMENT	<i>Action incomplete when 1st session ended</i>

These summaries were prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

If you have any suggestions or comments on these summaries, please let us know.

The House amendment (H-697) deletes the requirement that the Superintendent of Insurance adopt rules establishing an equipment allowance for loggers, deletes the requirement of posting a notice of workers' compensation coverage at each worksite and imposes a freeze on workers' compensation insurance rates retroactively to July 1, 1991.

LD 1966 RESOLUTION, Proposing an Amendment to the Constitution of CARRIED OVER
Maine to Limit the Expenditure of the Funds of a Public
Mutual Insurance Company Created by the State to Provide
Workers' Compensation Insurance to Employers in this State

SPONSOR(S) COMMITTEE REPORT AMENDMENTS ADOPTED
MITCHELL E

SUMMARY

This resolution proposes an amendment to the Constitution of Maine to prevent the expenditure of the funds of a public mutual insurance company created by the State to provide workers compensation insurance to employers in this State for any purpose other than the purposes of that public mutual insurance company.

LD 1972 An Act to Reform the Maine Workers' Compensation System DIED ON
ADJOURNMENT

SPONSOR(S) COMMITTEE REPORT AMENDMENTS ADOPTED
COLLINS
BALDACCI

SUMMARY

This bill contained the following changes to the workers' compensation system. It limited lump sum settlements. It required notice to employers of settlements and allowed an appeal to limit the impact of the settlement on an employer's experience rating. It placed a cap on attorneys' fees. It excluded fringe benefits from the wage calculation. It limited physician choice and testing. It established an independent medical system to resolve medical disputes, and an appeal procedure. It changed the statute of limitations from 10 years to 6 years. It offset incapacity benefits against permanent impairment benefits. It increased penalties and interest for late payment of benefits. It established an arbitration procedure for insurer apportionment. It eliminated the need for medical releases. It required health care providers to submit initial medical reports within 5 days, and every 30 days thereafter. It limited health care reimbursement. It required adjusters to have authority to settle cases at the informal conference. It clarified which injuries are compensable under the Act. It modified funding requirements for self-insurers. It moved rulemaking authority under the Workers' Compensation Act to the Commissioner of Labor. It transferred appellate jurisdiction from the Appellate Division to the Administrative Court. It made the following procedural changes: eliminated notice of injury for medical only claims, replaced the maximum medical improvement concept with a 430 week cap on benefits, expanded the statewide work provisions, permitted automatic discontinuances in certain cases, extended the 44-day rule to 75 days, and allowed payments without prejudice.