# MAINE STATE LEGISLATURE

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## STATE OF MAINE

123<sup>rd</sup> Legislature First Regular Session



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123<sup>rd</sup> Maine Legislature coming from the

## JOINT STANDING COMMITTEE ON LABOR

July 2007

#### **MEMBERS:**

SEN. ETHAN STRIMLING, CHAIR SEN. NANCY B. SULLIVAN SEN. DANA L. DOW

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REP. DOUGLAS A. THOMAS

### **STAFF:**

JOHN T. MITCHELL, LEGISLATIVE ANALYST OFFICE OF POLICY AND LEGAL ANALYSIS 13 STATE HOUSE STATION AUGUSTA, ME 04333 (207) 287-1670

\*Representative James M. Hamper replaced Representative Philip A. Cressey, Jr. on the Labor Committee

### STATE OF MAINE

123<sup>rd</sup> Legislature First Regular Session

## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This Legislative Digest of Bill Summaries and Enacted Laws summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123<sup>rd</sup> Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CON RES XXX	. Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE	
DIED BETWEEN BODIES	House & Senate disagree; bill died
	y accepts ONTP report; the other indefinitely postpones the bill
	Action incomplete when session ended; bill died
EMERGENCY	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINA	AL PASSAGE Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE	
	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY	
INDEF PP	Bill Indefinitely Postponed
ONTP (or Accepted ONTP report)	Ought Not To Pass report acceptedCommittee report Ought To Pass In New Draft
OTP-ND	
P&S XXX	
PASSED	Joint Order passed in both bodies
PUBLIC XXX	
RESOLVE XXX	
UNSIGNED	Bill held by Governor
VETO SUSTAINED	Legislature failed to override Governor's Veto

Please note that the effective date for non-emergency legislation enacted in the First Regular Session is *September 20, 2007*. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

### Joint Standing Committee on Labor

# LD 1087 An Act To Facilitate Debarment of State Contractors with Serious or Repeated Labor Violations

**ONTP** 

Sponsor(s)	<u>Committee Report</u>	Amendments Adopted
TUTTLE	ONTP	
STRIMLING		

This bill broadens the Department of Labor's authority to debar contractors seeking state contracts if these contractors have serious or repeated violations of state labor laws or certain federal laws.

#### LD 1107 An Act To Promote Compliance with the Workers' Compensation Laws

**PUBLIC 265** 

Sponsor(s)	Committee Report	Amendments Adopted
EDMONDS	OTP-AM	S-174

This bill raises the penalty not-to-exceed amount from \$10,000 to \$100,000 that the Workers' Compensation Board may assess, where there has been a finding, after hearing, that an employer, insurer or 3rd-party administrator for an employer has engaged in a pattern of questionable claims-handling techniques or repeated unreasonably contested claims.

#### Committee Amendment "A" (S-174)

This amendment changes from mandatory to permissive the assessment of a penalty by the Workers' Compensation Board against an employer or insurance carrier for failure to pay compensation. The amendment increases the maximum penalty for engaging in a pattern of questionable claims-handling techniques or repeated unreasonably contested claims from \$10,000 to \$25,000, as opposed to the \$100,000 maximum proposed in the bill. The amendment also requires that the amount of the penalty be commensurate with the severity of the proscribed acts and that penalties collected go to the General Fund. Finally, the amendment provides that an insurance carrier's payment of any penalty assessed under the Maine Revised Statutes, Title 39-A, section 359 may not be considered an element of loss for the purpose of establishing rates for workers' compensation insurance. This amendment also makes several technical corrections to current law to conform to drafting standards.

#### **Enacted Law Summary**

Public Law 2007, Chapter 265 raises the penalty not-to-exceed amount from \$10,000 to \$25,000 that the Workers' Compensation Board may assess, where there has been a finding, after hearing, that an employer, insurer or 3rd-party administrator for an employer has engaged in a pattern of questionable claims-handling techniques or repeated unreasonably contested claims. The bill requires that the amount of the penalty be commensurate with the severity of the proscribed acts and that penalties collected go to the General Fund. The bill also changes from mandatory to permissive the assessment of a penalty by the Workers' Compensation Board against an employer or insurance carrier for failure to pay compensation. Finally, the bill provides that an insurance carrier's payment of any penalty assessed under the Maine Revised Statutes, Title 39-A, section 359 may not be considered an element of loss for the purpose of establishing rates for workers' compensation insurance.

### **LD 1113** An Act To Prevent Workplace Bullying

ONTP

Sponsor(s)	Committee Report	Amendments Adopted
ROTUNDO	ONTP	

### Joint Standing Committee on Labor

This bill is a concept draft pursuant to Joint Rule 208. The bill seeks to address behavior in the workplace that is intimidating, demeaning and reprehensible but falls short of being actionable under current criminal laws and laws against sexual harassment and discrimination.

# LD 1158 An Act To Increase the Per Diem for Members of the State Board of Arbitration and Conciliation

**PUBLIC 175** 

Sponsor(s)	<u>Committee Report</u>	Amendments Adopted
WEBSTER	OTP-AM	Н-139

This bill increases the per diem for members of the State Board of Arbitration and Conciliation from \$75 to \$150.

#### Committee Amendment "A" (H-139)

This amendment adds a fiscal note to the bill.

#### **Enacted Law Summary**

Public Law 2007, Chapter 175 increases the per diem for members of the State Board of Arbitration and Conciliation from \$75 to \$150.

# LD 1177 Resolve, To Establish the Commission on Retirement Policy Funding and Reform

**ONTP** 

Sponsor(s)	Committee Report	Amendments Adopted
WOODBURY	ONTP	
MILLS P		

This resolve creates the Commission on Retirement Policy Funding and Reform to review and recommend reforms to the Maine State Retirement System that make the system more consistent with the labor market of 2010 and beyond.

# LD 1223 An Act To Provide a Uniform Retirement Plan for Corrections Officers and Mental Health Workers

CARRIED OVER

Sponsor(s)	Committee Report	Amendments Adopted
		S-286

Contingent upon the full actuarial costs having been accumulated in a reserve of the Maine State Retirement System, this bill adds mental health workers to the 1998 Special Plan for certain Maine State Retirement System members and requires that service retirement benefits for corrections and mental health workers included in the 1998 Special Plan be computed on the basis of all the member's creditable service, regardless of when that service was earned. The bill provides for funding the full actuarial costs of new corrections and mental health worker retirement benefits by creating a reserve and transferring funds to it that would otherwise qualify for transfer to the Retirement Allowance Fund from unappropriated surplus of the General Fund. Transfers continue until the accumulation of funds to cover the full actuarial costs, including normal costs for 6 years, is complete. Under the bill, retirement service credit may not be given and increased benefits may not be paid until the full actuarial costs of the liability for the increased value of that service has been funded.

#### Committee Amendment "A" (S-286)