



NO. <u>2 FY 78/79</u> DATE ⁷ September, 1978

THE GOVERNOR

OFFICE OF

COMMITTEE TO STUDY THE ADMINISTRATION OF WORKER'S COMPENSATION LAWS

WHEREAS, the number of suits and claims under the Worker's Compensation Act has increased substantially;

WHEREAS, resolution of claims under the Worker's Compensation Act involves increasing legal expense and time on the part of all parties;

WHEREAS, the costs of premiums and obligations of employers continue to rise at an alarming ra te of 12% per year;

WHEREAS, these increased costs must either be absorbed directly or indirectly by existing as well as potential working men and women of Maine and businesses providing them jobs in Maine, and thereby results in a higher cost of doing business in Maine; or is passed along to the consumer in the form of increased prices;

WHEREAS, these increased prices further contribute to the rate of inflation which has become one of the nation's most serious problems and because it is the responsibility of Maine state government to do everything in its power to combat this problem;

WHEREAS, it is beneficial to all of the people of Maine that the costs and time consumed in the administration of this act be mitigated to the greatest extent possible.

NOW, THEREFORE, I, JAMES B. LONGLEY, GOVERNOR OF THE STATE OF MAINE, do hereby establish a committee to study the administration of the Worker's Compensation Act and related statutes to determine what, if any, legislative or administrative changes need to be made to provide for its more efficient administration.

The Committee shall specifically consider basic structural changes in the existing administrative organization and review procedures by the Courts. It shall review the need for clarifying the construction of the existing statute. The Committee shall also consider the advisability of using the model draft of the Council of State Governments as a basis for administration of the law in Maine. The membership of the Committee shall include 8 individuals representing labor, business, legal and other groups with a sincere interest and desire to improve the efficiency and effectiveness of the system. The membership shall be appointed by the Governor and the Chairman selected by Committee membership. The Committee shall be dissolved upon completion of its findings and upon the submission of such findings and recommendations to the Governor. This report, which shall include drafts of proposed legislation, if any, shall be made no later than December 1, 1978.

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