

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
106TH LEGISLATURE

COMMITTEE AMENDMENT "A" to H.P. 1345, L.D. 1779, Bill, "AN ACT to Allow Group Self-Insurance Under Maine's Workmen's Compensation Law."

Amend said Bill by striking out all of section 1 and inserting in place thereof the following:

'Sec. 1. R. S., T. 39, § 22-A, additional. Title 39 of the Revised Statutes is amended by adding a new section 22-A, to read as follows:

§ 22-A. Prepayment of premium

No insurance company issuing industrial accident insurance policies shall require prepayment of premium more than 1/4 year in advance.'

Further amend said Bill in the 7th line of subsection 2-A of section 2 (6th line of L.D) by inserting after the underlined word "Commission" the underlined words 'and Insurance Commissioner'

Further amend said Bill in the 8th line of subsection 2-A of section 2 (7th line of L.D.) by striking out the underlined word "chairman" and inserting in place thereof the underlined words 'Insurance Commissioner'

(Filing No. H-524)

Further amend said Bill by striking out all of the last 2 paragraphs of section 2 and inserting in place thereof the following:

'If, upon examination of the sworn financial statement and other data submitted, the chairman and Insurance Commissioner are satisfied as to the ability of the employer or group to make current compensation payments and that the employer's or group's tangible assets make reasonably certain the payment of all obligations that may arise under the Workmen's Compensation Law, the application shall be granted subject to the terms and conditions setting out the exposure of cash deposits or securities or an acceptable surety bond, all as required by the Chairman of the Industrial Accident Commission and Insurance Commissioner. Security against shock or catastrophe loss shall be provided either by depositing securities in such amount as the chairman and Insurance Commissioner may determine, or by filing with the chairman and Insurance Commissioner an insurance carrier's certificate of a standard self-insurer's excess contract issued to the self-insurer or group in form approved by the chairman and Insurance Commissioner, providing reinsurance coverage against losses arising out of one accident in such amounts as the chairman and Insurance Commissioner may determine, or a combination of the foregoing, satisfactory to the chairman and Insurance Commissioner.'

Yearly reports in a form prescribed by the chairman and Insurance Commissioner shall be filed by each self-insurer or group. Said reports shall be filed within 30 days after the chairman's and Insurance Commissioner's request, or at such time as the chairman and Insurance Commissioner shall otherwise set.'

(Filing No. H-524)

Statement of Fact

The purpose of this amendment is to include Insurance Commissioner in the bill and to require prepayment of workmen's compensation insurance on a quarterly basis rather than on an annual basis.

Reported by the Committee on Labor.

Reproduced and distributed under the direction of the Clerk of the House.

6/8/73

(Filing No. H-524)