

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1721

H. P. 1450

House of Representatives, April 8, 1975

Referred to Committee on Labor. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Tierney of Durham.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

**AN ACT to Equalize the Offset of Workmen's Compensation Benefits
Against Certain Retirement and Social Security Benefits.**

Be it enacted by the People of the State of Maine, as follows:

5 MRSA § 1122, sub-§ 5, as last amended by PL 1973, c. 122, § 3, is repealed and the following enacted in place thereof:

5. Disability payments under other laws. Any amounts which may be paid or payable under any workmen's compensation or similar law except amounts which may be paid or payable under Title 39, sections 56 or 56-A, to or on account of any member or retired member who has not attained age 62, on account of any disability shall be offset against the amount of any retirement allowance payable under this section on account of the same disability; provided the total of the retirement received under this section, not including adjustments under section 1128, and any amounts paid or payable under any workmen's compensation or similar law, not including amounts not offset, shall not exceed 80% of his average final compensation. The retirement allowance under this section shall be reduced, but not below zero, by any amount necessary to meet this maximum.

Lump-sum settlements under Title 39, section 71, or any similar law shall be offset on a prorated monthly basis in an equitable manner prescribed by the board of trustees, but such offset shall not include any part of the lump-sum settlement attributable to vocational rehabilitation, attorney's fees or physicians, nurses, hospital, medical, surgical or related fees or charges, or any amount paid or payable under Title 39, sections 56 or 56-A. The total of the retirement allowance received under this section, not including adjustments under section 1128, and the prorated lump-sum settlement amounts shall not exceed 80% of his average final compensation.

Any dispute as to amounts paid or payable under workmen's compensation, or as to the amount of the lump-sum settlement and its attributions, shall be determined, on petition, by a single member of the Industrial Accident Commission, as provided under Title 39. Such determinations may be appealed in the manner provided by Title 39, section 103.

STATEMENT OF FACT

The purpose of this Act is to exclude from any offset against disability retirement allowances, benefits under section 56-A of the Workmen's Compensation Act. Benefits under section 56-A are benefits for physical injury rather than for wage loss, and are similar to the benefits under section 56 which are currently exempted from such offset.

It is also the purpose of this Act to equalize the position of public employees receiving both disability retirement benefits and workmen's compensation benefits with the position of employees in the private sector receiving social security disability benefits and workmen's compensation benefits. To equalize these positions, the application of the setoff principle is limited to individuals under the age of 62, and the combined benefits under disability retirement benefits and workmen's compensation benefits is limited to not more than 80% of average final compensation. Cost of living adjustments in benefits are not included in calculating this maximum. Provision is also made for calculating the setoff of lump-sum settlements which setoff does not include parts of the settlement attributable to medical or legal costs, vocational rehabilitation expenses or benefits for physical loss.