

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 161

H. P. 141

House of Representatives, January 24, 1979

Referred to the Committee on Labor. Sent up for concurrence and 1,800 ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Peltier of Houlton.

Cosponsor: Mr. McPherson of Eliot.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

**AN ACT to Provide Time for the Employee and Employer to Consider Payment of
Compensation by Agreement.**

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

39 MRSA § 94, as last amended by PL 1977, c. 709, § 3, is further amended by adding after the first paragraph the following:

The employer shall not be obligated to pay counsel fees under section 110 during the first 10 days after the employer has received notice of an alleged injury unless during that period the employer notified the employee that it denied that the injury was compensable under the Act. If the employer does not enter into a voluntary agreement to pay compensation at the end of this 10-day period, the employer may voluntarily pay the employee compensation for a period not to exceed 30 days during which time the employer may make appropriate investigation concerning the alleged injury. Any payment made during this period shall not be taken as an admission that the alleged injury is compensable. If the employer elects to voluntarily make the payments mentioned in this paragraph, the employer shall likewise not be obligated to pay counsel fees under section 110 for services rendered during this period.

At the end of this 30-day period the employer shall notify the employee that it either will enter into a voluntary agreement to pay compensation or will not enter into a voluntary agreement, and that the employee has a right to file a petition for

award and have the assistance of counsel to be paid for by the employer consistent with section 110. Should the employer elect to voluntarily pay compensation and not so notify the employee at the end of the 30-day period, the injury in question shall be deemed to be compensable.

STATEMENT OF FACT

The adversary system as it has evolved in workers' compensation is not conducive to prompt decisions providing payment of compensation to the employee. Every effort should therefore be made to permit the employer and employee to reach agreement rather than prematurely create an adversary situation which puts both parties on the defensive.

It is desirable to avoid a permanent adversary relationship between employee and employer which in many cases now exists. It is also desirable to provide the employer with time to investigate questionable compensable injuries while at the same time providing interim compensation, without prejudice, to the injured employee.