

# 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)

1

L.D. 117

2  
3  
4  
5

STATE OF MAINE  
HOUSE OF REPRESENTATIVES (Filing No. H-26)  
111TH LEGISLATURE  
FIRST REGULAR SESSION

6  
7  
8  
9

COMMITTEE AMENDMENT "A" to H.P. 110,  
L.D. 117, Bill, "AN ACT Regarding Premium Discounts  
for Workers' Compensation Insurance of Small Busi-  
nesses."

10  
11  
12

Amend the Bill in that part designated "§22-B."  
by adding after the first paragraph the following  
paragraph:

13  
14  
15  
16  
17  
18

'The premium discounts provided in this section  
may not be recovered by any rating organization or  
insurer in the rate base, premiums or in any rate  
filing under section 22 or by modification of the  
rating or discount plans applicable to employers who  
are not subject to this section.'

19

STATEMENT OF FACT

20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33

The purpose of this amendment is to ensure that  
the premium discounts provided in this section are  
not used in setting the overall rate levels in the  
State. To allow the recovery of the discounts in the  
rate base would enable insurers to merely increase  
their rates for all employers, thereby offsetting, in  
part, the benefits of this section. It would result  
in increased manual rates for employers who benefit  
under this section, as well as those who do not. It  
would also cause an inequitable distortion in the  
allocation of the costs of the system by causing a  
shifting of costs to those employers who, because of  
experience or otherwise, are not eligible for the  
discounts.

34

2555022283