MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
111TH LEGISLATURE
FIRST REGULAR SESSION

7 COMMITTEE AMENDMENT " \mathcal{B} " to H.P. 1019, 8 L.D. 1322, Bill, "AN ACT to Reform the Workers' Compensation System."

Amend the Bill in section 4 in that part designated "§2523." in the next to the last paragraph in the last line (page 4, line 34 in L.D.) by inserting after the underlined word "Fund" the following: 'on June 30th of any fiscal year'

Further amend the Bill in section 8 in that part designated " $\S51-B$." by striking out all of subsections 3, 6, 7 and 8 and inserting in their place the following:

- '3. First payment due. The first payment of compensation, other than compensation for impairment under section 56 or 56-A, is due within 14 days after the employer has notice or knowledge of the injury or death. In cases where the employee did not lose time from work within 5 scheduled work days following the injury, compensation is due and payable within 14 days of the date the employee asserts to the employer that that lost time is related to the injury or from the date a request is made for medical expenses or other benefits payable under the Act, whichever occurs first. On or before the 14th day, all compensation then due shall be paid. Subsequent incapacity compensation benefit payments shall be made weekly and in a timely fashion.
- 6. Information. If the employer is making compensation payments under this section, the employer shall file with the commission a statement of the employee's average weekly wage, as defined in section 2, within 30 days after the initial payment, together with a wage statement or wage statements in the case

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- of multiple employment. A copy of this information shall be mailed to the person receiving payments.
- to making payments under subsection 3, contro-3 7. Notice of controversy. If the 4 5 verts the claim to compensation, he shall file with 6 the commission, within 14 days after an event which 7 gives rise to an obligation to make payments under 8 subsection 3, a notice of controversy in a form prescribed by the commission. The notice shall indicate the name of the claimant, name of the employer, date of the alleged injury or death and the grounds upon 9 10 11 which the claim to compensation is controverted. The 12 employer shall promptly furnish the employee with a 13 14 copy of the notice.
- 15 If, at the end of the 14-day period, the employer has 16 not filed the notice required by this subsection, he 17 shall begin payments as required under subsection 3. He may cease payments and file with the commission a 18 19 notice of controversy, only as provided in this subsection, no later than 44 days after an event which gives rise to an obligation to make payments under subsection 3. Failure to file the required notice of 20 21 22 23 controversy prior to the expiration of the 44-day period constitutes acceptance by the employer of the 24 25 compensability of the injury or death.
- If, at the end of the 44-day period, the employer has not filed a notice of controversy, or if pursuant to a proceeding before the commission, the employer is required to make payments, the payments may not be decreased or suspended, except as provided in section 100.
- 8. Effect of payment. If, within the 44-day period established in subsection 7 and after the payment of compensation without an award, the employer elects to controvert the claim to compensation, the payment of compensation shall not be considered to be an acceptance of the claim or an admission of liability. Notwithstanding the provisions of section 99-C,

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the acceptance of compensation in any case, except by decision or agreement, by the injured employee or his dependents shall not be considered an admission by the employee or his dependents as to the nature and scope of the employer's liability or a waiver of the right to question the amount of compensation or the duration of the same or the nature of the injury and its consequences.

9 Further amend the Bill in section 8 in that part 10 designated "§51-B." in subsection 10 in the first 11 paragraph by striking out all of the last underlined 12 sentence.

Further amend the Bill in section 8 in that part designated "§51-B." in subsection 11 in the first, 2nd and last lines (page 8, lines 30, 31 and 34 in L.D.) by striking out the underlined word "disability" (3 times) and replacing it with the underlined word 'incapacity' (3 times).

Further amend the Bill in section 15 in that part designated "§91." in subsection 2 in the 6th line (page 12, line 19 in L.D.) by inserting after the underlined word "Governor" the following: ', only with the review and concurrence of the joint standing committee of the Legislature having jurisdiction over judiciary upon hearing in executive session,'

Further amend the Bill in section 17 in that part designated "§92." in subsection 1 in the 7th line (page 13, line 31 in L.D.) by inserting after the underlined figure and punctuation "375," the following: 'after obtaining the advice of the commissioners,'

Further amend the Bill in section 17 in that part designated "§92." in subsection 6 in the first paragraph, next to the last line (page 15, line 10 in L.D.) by inserting after the underlined words "employees in" the underlined words 'preparing for and assisting at'

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designated "§92." in subsection 6 by adding at the 2 3 end the following: 4 'The chairman shall appoint 6 employee assistants. After January 1, 1984, the chairman may appoint up to 5 4 additional assistants if, in the chairman's judg-6 7 ment, the additional assistants are necessary to 8 effectuate the purposes of this subsection. 9 Employee assistants shall be paid a salary equal to 10 that paid to state employees in professional and technical range 21. 11 Further amend the Bill in section 17 in that part designated "§92." in subsection 7 in the last line (page 15, line 23 in L.D.) by inserting after the underlined word "affairs" the following: ', starting with the fiscal year beginning July 1, 1985' 12 13 14 15 16 Further amend the Bill in section 20 in that part 17 designated "§94-A." in subsection 2 by striking out all of paragraph A and inserting in its place the 18 19 20 following: 'A. Either payments are initiated or notice of controversy is filed by the end of 14 days after 21 22 23 an event which gives rise to an obligation to 24 make payments under section 51-B, subsection 3; 25 and' 26 Further amend the Bill in section 20 in that part designated "§94-A." in subsection 4 in the first line (page 17, line 1 in L.D.) by striking out the under-27 28 lined word "may" and inserting in its place the underlined word 'shall' 29 30 Further amend the Bill in section 30 in that part designated "§106-A." in the 9th line (page 21, line 31 32

Further amend the Bill in section 17 in that part

40 in L.D.) by striking out the underlined words

"notice of the injury" and inserting in their place

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1 2 3	the following: ', an event which gives rise to an obligation to make payments under section 51-B, subsection 3'
4 5	Further amend the Bill by inserting at the end before the emergency clause the following:
6 7 8 9 10 11 12 13 14	'Sec. 34. Allocation. The following funds are allocated from the Workers' Compensation Fund to carry out the functions and activities of the Workers' Compensation Commission provided under the Revised Statutes, Title 39. If, in the judgment of the chairman of the commission, 4 additional assistants are not required, funds otherwise allocated in this section for that purpose shall lapse proportionately. No additional funds shall be expended from this fund until allocated by the Legislature.
16	<u> 1983-84</u> <u>1984-85</u>
17	WORKERS' COMPENSATION COMMISSION
18 19 20 21	Positions (57) (57) Personal Services \$1,251,794 \$1,325,330 All Other 311,850 332,775 Capital Expenditures 78,910 28,620
22	Total \$1,642,554 \$1,686,725
23 24 25	Sec. 35. Appropriation. The following funds are appropriated from the General Fund to implement this program.
26	<u>1983-84</u> <u>1984-85</u>
27	WORKERS' COMPENSATION COMMISSION
28 29 30 31	Positions (-35) (-35) Personal Services (\$849,914) (\$866,135) All Other (191,350) (202,875) Capital Expenditures (8,680) (9,620)

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1 Total (\$1,049,944) (\$1,078,630)Sec. 36. Data system funds. Notwithstanding any other provision of this Act, all moneys previously appropriated to the Workers' Compensation Commission 3 4 5 for the study, acquisition and implementation of a 6 data system shall be retained for that use by the 7 commission. These funds shall not lapse to the General Fund.' 8 9 Further amend the Bill in the emergency clause in the 3rd line (page 24, line 1 in L.D.) by striking out the word and figure "and 33" and inserting in 10 11 12 their place the word and figure 'to 36' 13 Further amend the Bill by inserting at the end 14 before the statement of fact the following: 15 FISCAL NOTE Public Law 1983, chapter 110, appropriated moneys 16 17 from the General Fund to the Workers' Compensation Commission in the amount of \$1,049,944 for 1983-84 18 19 \$1,078,630 in 1984-85. This 20 deappropriates those funds previously made available 21 to the commission from the General Fund in the amounts of (\$1,049,944) in 1983-84 and (\$1,078,630) 22 23 in 1984-85. The amendment also allocates dedicated 24 revenue that is in the Workers' Compensation Fund, 25 created in the original bill, of \$1,642,544 in 1983-84 and \$1,686,725 from funds previously going 26 27 into the General Fund. Any funds which are not allocated in any fiscal year shall lapse to the General Fund. This will result in a net loss to the General 28 29 30 Fund of \$692,610 in 1983-84 and \$608,095 in 1984-85. 31 Also included is language that all funds be allocated 32 by the Legislature before expenditure. 33 STATEMENT OF FACT

This amendment does the following:

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- 1. Amends Title 39, section 51-B, subsection 3 to deal with employees who do not lose time from work 3 within 5 scheduled work days following the injury. In 4 these cases, the obligation to begin compensation 5 payments arises within 14 days of the date the 6 employee asserts to the employer that the lost time is related to the injury or the date a request is made for benefits, whichever occurs first, rather 7 8 than 14 days after the employer has notice or knowl-9 10 edge of the injury or death, which remains the provi-11 sion in other cases. This revision in the events that 12 running of time periods under the Act is start the 13 also reflected in amendments to Title 39, section 14 51-B, subsection 7 on filing a notice of controversy, 15 to Title 39, section 94-A, subsection 2 on the commission's duty to monitor cases and to Title 39, 16 section 106-A on the commission's obligation to notify employees of their rights. Title 39, section 17 18 19 51-B, subsection 6 is similarly amended to clarify 20 when an employer must file a wage statement;
- 2. Amends Title 39, section 51-B, subsection 8
 22 to clarify that an employee's acceptance of compensa23 tion, except by decision or agreement, shall not be
 24 considered an admission to or waiver of an employer's
 25 liability, notwithstanding Title 39, section 99-C on
 26 petitions for reopening;
- 3. Amends Title 39, section 51-B, subsection 10
 by striking the last sentence since other penalty
 provisions deal with this situation;
- 4. Changes the word "disability" to "incapacity" in Title 39, section 51-B to be consistent with the rest of Title 39;
- 5. Amends Title 39, section 91, subsection 2 to provide that commissioners may be removed by the Governor only with the review and concurrence of the Joint Standing Committee on Judiciary upon hearing and executive session;

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- 1 6. Amends Title 39, section 92, subsection 1 to 2 provide that the chairman of the commission may make 3 rules and policies after obtaining the advice of the 4 commissioners;
- 5 7. Clarifies the duties of employee assistants 6 in Title 39, section 92, subsection 6;
- 7 8. Amends Title 39, section 94-A, subsection 4 by changing "may" to "shall;"
 - 9. Provides for the appointment of 6 employee assistants by the chairman and for the possible addition of 4 more assistants after January 1, 1984, if the chairman determines this to be necessary. If the funds allocated for the 4 additional assistants are not necessary in the judgment of the chairman, a proportional amount attributable to each unfilled position shall lapse to the General Fund;
- 17 10. Incorporates the allocation of funds from the Workers' Compensation Fund for the next 2 fiscal years. The responsibility for submitting an allocation bill is delayed to reflect this addition. No additional funds shall be expended from this fund until allocated by the Legislature;
- 23 11. Adds section 35 which deappropriates General 24 Fund money that was previously appropriated and, 25 along with section 4 and section 34, correctly 26 reflects the creation of the dedicated Workers' Com-27 pensation Fund;
- 28 12. Clarifies that funds previously appropriated 29 for the development of a data system at the commis-30 sion are still authorized for that use and shall not 31 lapse to the General Fund; and

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- 1 13. Finally, the emergency clause is amended to reflect the addition of the 3 new sections, which will become effective upon approval.
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Reported by the Majority of the Committee on Labor Reproduced and distributed under the direction of the Clerk of the House 5/9/83 (Filing No. H-217)