



114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 516

H.P. 385

House of Representatives, March 1, 1989

Reference to the Committee on Education suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative GWADOSKY of Fairfield. Cosponsored by Representative PARENT of Benton, Senator MATTHEWS of Kennebec and Representative BURKE of Vassalboro.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Clarify the Responsibilities of School Boards.

(EMERGENCY)

 Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

5 Whereas, local school boards are prepared to take immediate action to participate in group self-insurance programs and plans 7 for workers' compensation authorized by this legislation; and

9 Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of
 11 Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and
 13 safety; now, therefore,

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

17 Sec. 1. 20-A MRSA §1001, sub-§5, as enacted by PL 1981, c. 693, §§5 and 8, is repealed and the following enacted in its 19 place:

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5. Insurance premiums and employee benefits. They may:

- A. Pay the premiums on life, health, disability, accident, hospitalization, major medical and such other types of insurance as may be provided to employees and their families from time to time;
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- B. Provide direct reimbursements of the costs and expenses
 29 incurred by employees and their family members that may be covered under any of the insurance plans or programs
 31 specified in paragraph A;
- 33 <u>C. Pay premiums on liability insurance for employees and</u> school officials; and
- D. Provide such other employee benefits to their employees 37 as any school board determines from time to time.
- 39 Sec. 2. 20-A MRSA §1001, sub-§5-A, as enacted by PL 1985, c. 713, §3, is repealed and the following enacted in its place:
- 5-A. Public self-funded pools. Subject to the authority 43 provided in subsection 5-B, they may participate in a public self-funded pool created under Title 30-A, chapter 117.
 - Sec. 3. 20-A MRSA §1001, sub-§5-B is enacted to read:

 5-B. Workers' compensation group self-insurance. They may
 participate or cause their school units to participate in a group self-insurance program or plan for workers' compensation
 established under and operated in accordance with the provisions of the Workers' Compensation Act. Sec. 4. 20-A MRSA §15004, as enacted by PL 1981, c. 693, §§5 and 8, is amended to read:

5 §15004. Unexpended balances

7 The unexpended balance of all meneys money raised by a school administrative unit, received ---From from the State for
9 general-purpose aid or for other educational programs; from the Federal Government directly or from the Federal Government
11 through the State; from tuition payments made by other units, the State, or by individuals; and other receipts for school purposes
13 shall be carried forward and credited to the unit for educational programs for the ensuing year.

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Funds which are set aside for direct reimbursement programs in accordance with section 1001, subsection 5, shall not be considered unexpended balances. These funds shall be carried 19 forward to be used only for the purpose of providing health or dental reimbursement.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

This bill clarifies several issues concerning the authority 29 of school boards to provide or cause their school units to provide various benefits to employees. In addition, because 31 employee benefits is a changing area of the law and because school boards should be in as flexible a position as possible to 33 provide benefits in as efficient a form as possible, the bill authorizes school boards, at their discretion, to provide 35 employees with such benefits as are customarily provided by employers.

Section 1 clarifies the types of insurance schools can 39 provide for their employees, authorizes the implementation of reimbursement programs and confirms that school boards may 41 provide their employees with such employee benefits as the board and the employees may agree upon from time to time.

Sections 2 and 3 confirm the existing authority of school boards and their units, which may be employers under the Workers' Compensation Act, to participate as members in group self-insurance plans established from time to time under, and operated in accordance with, the Workers' Compensation Act.

Section 4 establishes the fact that funds which are 51 dedicated to health or dental reimbursement programs must be carried forward from one year to the next and used only for the 53 purpose for which they are intended.