

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

SECOND REGULAR SESSION - 1990

Legislative Document

No. 2167

H.P. 1561

House of Representatives, January 9, 1990

Reported by Representative JOSEPH from the Joint Standing Committee on Banking and Insurance.

Reference to the Joint Standing Committee on Banking and Insurance suggested and printing ordered under Joint Rule 19.

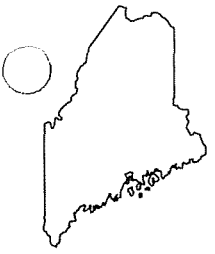
A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY

**RESOLUTION, Proposing an Amendment to the Constitution of
Maine to Ensure the Financial Integrity of Any Public Mutual
Insurance Company Established to Provide Workers' Compensation
Insurance to Employers in This State.**



2 **Constitutional amendment. RESOLVED:** Two thirds of each
3 branch of the Legislature concurring, that the following
4 amendment to the Constitution of Maine be proposed:

6 **Constitution, Art. IX, §21** is enacted to read:

8 **Section 21. Public mutual insurance company.** All of the
9 **assets and proceeds or income of any public mutual insurance**
10 **company established by the State to provide workers' compensation**
11 **insurance coverage to employers in this State, or any successor**
12 **company, and all premiums paid to the company and reserves or**
13 **surplus held by the company must be held, invested or disbursed**
14 **exclusively by the company and may not be encumbered for, or**
15 **diverted to, any other purpose.**

16 **Constitutional referendum procedure; form of question; effective**
17 **date. Resolved:** That the city aldermen, town selectmen and
18 plantation assessors of this State shall notify the inhabitants
19 of their respective cities, towns and plantations to meet, in the
20 manner prescribed by law for holding a statewide election, at the
21 next general election in the month of November following passage
22 of this resolution, to vote upon the ratification of the
23 amendment proposed in this resolution by voting upon the
24 following question:

26 "Shall the Constitution of Maine be amended to prevent the
27 expenditure of the funds of a public mutual insurance
28 company created by the State to provide workers'
29 compensation insurance to employers in this State for any
30 purpose other than for the purposes of that public mutual
31 insurance company?"

32 The legal voters of each city, town and plantation shall
33 vote by ballot on this question, and shall designate their choice
34 by a cross or check mark placed within the corresponding square
35 below the word "Yes" or "No." The ballots shall be received,
36 sorted, counted and declared in open ward, town and plantation
37 meetings and returns made to the Secretary of State in the same
38 manner as votes for members of the Legislature. The Governor
39 shall review the returns and, if it appears that a majority of
40 the legal voters are in favor of the amendment, the Governor
41 shall proclaim that fact without delay and the amendment shall
42 become part of the Constitution on the date of the proclamation;
43 and be it further

44 **Secretary of State shall prepare ballots. Resolved:** That the
45 Secretary of State shall prepare and furnish to each city, town
46 and plantation all ballots, returns and copies of this resolution
47 necessary to carry out the purposes of this referendum.
48
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STATEMENT OF FACT

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6 This resolution is part of the legislation submitted as a
8 result of a study on the feasibility of creating a state workers'
10 compensation insurance fund, conducted by a subcommittee of the
12 Joint Standing Committee on Banking and Insurance. The
resolution proposes a constitutional amendment to prevent the
State from seizing funds belonging to the proposed Maine State
Insurance Fund. The amendment ensures that money held by the
proposed Maine State Insurance Fund is used solely for its proper
purposes.