

# 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)



# 115th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1992

Legislative Document

No. 2181

S.P. 857

In Senate, January 21, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.  
Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

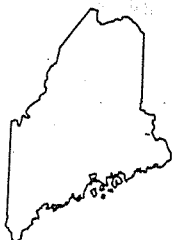
Presented by Senator BUSTIN of Kennebec

Cosponsored by Representative PINEAU of Jay, Representative RAND of Portland and  
Senator McCORMICK of Kennebec.

STATE OF MAINE

IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-TWO

**An Act Regarding Workers' Compensation Rate Proceedings and Rate Hearings.**



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

2  
4 **Sec. 1. 24-A MRSA §2363, sub-§7, ¶D,** as enacted by PL 1987, c. 559, Pt. A, §4, is amended to read:

6 D. The filer shall ~~have~~ has the burden of proving that the  
8 rates meet the requirements of this chapter and chapter 23.  
10 The proposed rate filed by the Public Advocate pursuant to  
subsection 9 and section 2374 is presumed to be correct in  
the absence of substantial and persuasive evidence to the  
contrary.

12 **Sec. 2. 24-A MRSA §2367, 2nd ¶,** as amended by PL 1987, c. 716,  
14 §1, is further amended to read:

16 In making the determinations required by this section, the  
18 superintendent shall apply statutory insurance accounting  
standards and utilize sound actuarial principles. The proposed  
rate filed by the Public Advocate is presumed to be correct in  
20 the absence of substantial and persuasive evidence to the  
contrary. ~~In making these determinations, no~~ No losses for  
22 policies issued prior to January 1, 1988, shall may be  
24 considered. Each review shall must be on a policy-year basis and  
apply to the policy year prior to the year in which the review is  
26 being made and all other prior policy years beginning on or after  
January 1, 1988. The calculations and determinations required of  
the superintendent shall must be made on a cumulative basis for  
28 each policy year under consideration such so that each year's  
determination shall ~~be~~ is based on all available data relating to  
30 a given policy year. For each year under review, the  
superintendent shall determine the following.

32 **Sec. 3. 24-A MRSA §2374, sub-§1, ¶A,** as enacted by PL 1987, c.  
34 559, Pt. A, §4, is amended to read:

36 A. Rate filings, whether under section 2363 or section  
38 2366. The Public Advocate shall participate and file a  
proposed rate in every rate filing under sections 2363 and  
2366;  
40

42 **STATEMENT OF FACT**

44 This bill requires the Public Advocate to file proposed  
46 rates in workers' compensation rate proceedings and requires that  
the proposed rate filing of the Public Advocate be presumed to be  
48 correct in the absence of substantial and persuasive evidence to  
the contrary. It applies to prospective rate cases under the  
Maine Revised Statutes, Title 24-A, section 2363 and to  
50 adjustments for experience in prior years under Title 24-A,  
section 2367.  
52