

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1696, L.D. 2376, "Resolve, to Establish a Blue Ribbon Commission to Examine Alternatives to the Workers' Compensation System and to Make Recommendations Concerning Replacement of the Present System"

Amend the resolve by inserting after the title the following:

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

Whereas, the effectiveness of the workers' compensation system has become a divisive issue within the State; and

Whereas, the workers' compensation system can best be addressed by an impartial group concentrating on the subject; and

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

Further amend the resolve in section 1 in subsection 1 in the 2nd line (page 1, line 8 in L.D.) by inserting after the following: "Act" the following: 'with the intent of reducing costs of delivery of all components of the system with predictable costs and benefits'

Further amend the resolve in section 1 in subsection 1 in paragraph D in the last line (page 1, line 27 in L.D.) by inserting after the following: "retraining;" the following: 'and'

COMMITTEE AMENDMENT "A" to H.P. 1696, L.D. 2376

2 Further amend the resolve in section 1 in subsection 1 in
paragraph E in the last line (page 1, line 31 in L.D.) by
4 striking out the following: "; and" and inserting in its place
the following: '.'

6 Further amend the resolve in section 1 in subsection 1 by
striking out all of paragraph F (page 1, lines 33 and 34 in L.D.)

8 Further amend the resolve in section 1 in subsection 2 in
10 paragraph B in subparagraph (6) in the 2nd line (page 2, line 26
in L.D.) by striking out the following: "responsible"

12 Further amend the resolve in section 1 in subsection 4 by
14 striking out all of the 2nd paragraph (page 3, lines 16 to 19 in
L.D.) and inserting in its place the following:

16 'The commission shall proceed with its work through committee
18 meetings and the use of subcommittees. All meetings must be open
to the public; and be it further'

20 Further amend the resolve by striking out all of sections 2
22 to 6 and inserting in their place the following:

24 **'Sec. 2. Appointment and convening of the commission. Resolved:**
That the commission consists of 4 members who must be impartial
26 and without any direct financial interests in the workers'
compensation system. No member may be a Legislator. The members
28 must be appointed in the following manner: The Governor shall
choose 2 members, the President of the Senate shall choose one
30 member and the Speaker of the House of Representatives shall
choose one member. The Governor, the President of the Senate or
32 the Speaker of the House of Representatives each has the power to
veto the commission members chosen by the others. The Governor,
34 the President of the Senate and the Speaker of the House of
Representatives shall appoint the members of the commission by
36 March 26, 1992. The Chair of the Legislative Council shall
convene the first meeting of the commission no later than 14 days
38 after the appointment of the commission. At the first meeting,
the commission members shall elect a chair from among themselves;
40 and be it further

42 **Sec. 3. Report. Resolved:** That the commission shall present
the findings of the majority, together with legislation and a
44 timetable for implementation, to the 115th Legislature by August
1, 1992. The reporting date may be extended for up to 30 days if
46 a majority of the commission votes for an extension; and be it
further

48

2 **Sec. 4. Assistance. Resolved:** That the commission may hire
3 consultants or others to perform necessary work for the
4 commission. If legislative staff assistance is desired,
5 assistance may be requested from the Legislative Council; and be
6 it further

7 **Sec. 5. Compensation. Resolved:** That the members of the
8 commission may be paid a reasonable compensation as unanimously
9 agreed upon by the Governor, the President of the Senate and the
10 Speaker of the House of Representatives. All members of the
11 commission receive reimbursement for expenses upon application to
12 the Executive Director of the Legislative Council. The executive
13 director shall make a monthly report to the Legislative Council
14 on the expenditures of the commission; and be it further

15 **Sec. 6. Assessment. Resolved:** That workers' compensation
16 insurers and self-insured employers shall pay a one-time
17 assessment to fund the commission.
18

19 **1. Assessment on workers' compensation insurers.** Every
20 insurance company or association authorized to write workers'
21 compensation insurance in this State shall, for the purpose of
22 providing partial support of the commission, pay an assessment of
23 not more than .057% on all gross direct premiums written during
24 calendar year 1990, whether in cash or in notes absolutely
25 payable on contracts written on risks located or resident in the
26 State for workers' compensation insurance, less return premiums
27 thereon and less all dividends paid to policyholders. For the
28 purposes of this subsection, gross direct premiums do not include
29 premiums attributable to municipalities or school administrative
30 units.
31

32 **2. Assessment on self-insured employers.** Every self-insured
33 employer approved pursuant to the Maine Revised Statutes, Title
34 39, section 23 except for municipalities, school administrative
35 units and the State shall, for the purpose of providing partial
36 support of the commission, pay an assessment in an amount not
37 exceeding .14% of aggregate benefits paid during calendar year
38 1990 by each member pursuant to Title 39, section 23-A,
39 subsection 4.
40

41 **3. Assessment levied.** The State Tax Assessor shall assess
42 each insurance company or association and self-insured employer
43 its pro rata share by April 15, 1992. Each insurance company or
44 association and self-insured employer shall pay the assessment on
45 or before May 15, 1992.
46

47 **4. Insurance company or association collections.** Insurance
48 companies or associations shall bill and collect assessments

under this resolve on insured employers on policies issued or renewed from July 1, 1992 through June 30, 1993. This assessment must be a separately stated amount on all premium notices and may not be reported as premiums for any tax or regulatory purpose or for the purpose of any other law.

5. Violations. Any insurance company, association or self-insured employer subject to this section that willfully fails to pay an assessment in accordance with this resolve commits a civil violation for which a forfeiture of not more than \$500 may be adjudged for each day following the due date for which payment is not made.

6. Deposit of funds. All revenues derived from assessments levied against insurance companies, associations and self-insured employers described in this resolve must be reported and paid to the Treasurer of State as undedicated revenue to the General Fund; and be it further

Sec. 7. Appropriation. Resolved: That the following funds are appropriated from the General Fund to carry out the purposes of this resolve.

1991-92

LEGISLATURE

Blue Ribbon Commission to Examine Alternatives to the Workers' Compensation System

All Other \$250,000

Provides funds for the compensation and expenses of members, consultant costs and miscellaneous expenses of the Blue Ribbon Commission to Examine Alternatives to the Workers' Compensation System. These funds may not lapse but must be carried forward from year to year to be expended for the same purpose.

Emergency clause. In view of the emergency cited in the preamble, this resolve takes effect when approved.'

Further amend the resolve by inserting before the statement of fact the following:

FISCAL NOTE

