

STATE LAW LOBARY AUGUSTA, MAINE



115th MAINE LEGISLATURE

SECOND REGULAR SESSION-1992

Legislative Document

No. 2457

H.P. 1775

House of Representatives, March 29, 1992

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27. Reference to the Committee on Banking and Insurance suggested and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative MITCHELL of Vassalboro. Cosponsored by Senator KANY of Kennebec, President PRAY of Penobscot and Representative MAYO of Thomaston.

STATE OF MAINE

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

An Act to Delay the Workers' Compensation Rate Increase.

(AFTER DEADLINE)

(EMERGENCY)

Printed on recycled paper

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

Whereas. there is currently pending before the 6 Superintendent of Insurance а filinq seeking workers' compensation surcharges on which a decision is required to be issued under applicable laws by June 1st; and 8

10 Whereas, the Legislature has passed a resolve creating the Blue Ribbon Commission to Examine Alternatives to the Workers'
12 Compensation System to make recommendations concerning replacement of the present system; and

14

2

4

16 18

20

Whereas, the Legislature may take action that will cause substantial changes to the Workers' Compensation Act, Maine Revised Statutes, Title 39 that will have a direct and immediate effect on the appropriate amounts for the surcharges, but these effects can not be taken into account under current applicable law in the pending rate case and can not be taken into account in approved rates before 1993; 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,

28 30

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

Sec. 1. Workers' Compensation Act changes; rate effect. For purposes of the proceeding pending before the Superintendent of 32 Insurance on the effective date of this section to establish 34 for workers' compensation premiums making surcharges the determinations required under Title 24-A, section 2367 is 36 extended to November 15, 1992. The date is extended in order to allow the Superintendent of Insurance to conduct a proceeding for the limited purpose of determining the effect of amendments 38 enacted by the Second Regular Session or a subsequent special session of the 115th Legislature to the Maine Revised Statutes, 40Title 39, on workers' compensation insurance rates and to take 42 those findings into account in establishing surcharges, if any, in connection with the pending rate filing. The Superintendent of Insurance may not issue a decision regarding surcharges under 44Title 24-A, section 2367 in the pending proceeding until the Superintendent of Insurance has evaluated the effect of these 46 changes on the workers' compensation rates and incorporated those findings in the superintendent's decision. 48

的研究的合适性的人

Page 1-LR3897(1) L.D.2457

الأشاطيطين والمراجع والإخرار والمتحد

The Superintendent of Insurance shall order the filing of information necessary to determine the effect on surcharges of these changes to the workers' compensation insurance laws and shall conduct a hearing within 30 days after the filing is made.
Evidence and argument must be limited to matters relevant to evaluation of the effect of these changes on surcharges. Any surcharges established by the decision of the Superintendent of Insurance in the pending proceeding are effective beginning July 1, 1992.

This section does not apply to any rate proceeding commenced on or after November 15, 1992.

14 16

12

Sec. 2. Repeal. This Act is repealed on November 15, 1992.

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

20

22

36

STATEMENT OF FACT

The Legislature has passed a resolve to establish the Blue 24 Ribbon Commission to Examine Alternatives to the Workers' concerning Compensation System to make recommendations replacement of 26 the present system with a report to the Legislature by August 1, 1992. This report may bring about revisions in the Workers' Compensation Act that will have a 28 material effect on rates for workers' compensation insurance. 30 The Superintendent of Insurance is required to issue a decision on the pending rate filing, which has been the subject of 32 extensive hearings, before these changes become final under the current applicable rating laws. This decision would not permit 34 the rate effect of these changes to the laws to be incorporated into insurance rates until after January 1, 1993.

To avoid the implementation of inappropriate rates, this 38 bill extends the date for decision by the Superintendent of Insurance in the pending rate proceeding with respect to surcharges under the Maine Revised Statutes, Title 24-A, section 40 2367 to November 15, 1992, providing for a limited-purpose 42 hearing to evaluate the effect of the changes to Title 39 that may be enacted by a special session of the 115th Legislature and 44 issuance of a single decision addressing the pending rate proceeding and the superintendent's findings with respect to the 46 changes to the laws. The fresh-start surcharges established by the superintendent's decision are in effect from July 1, 1992, 48 thus avoiding any inequitable effect of the delay of the decision in the pending proceeding.

> Page 2-LR3897(1) L.D.2457

This bill does not apply to any rate proceeding commenced on or after November 15, 1992 and is repealed on that date.

.

4

2

Page 3-LR3897(1) L.D.2457