# MAINE STATE LEGISLATURE

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## 116th MAINE LEGISLATURE

### SECOND REGULAR SESSION-1993

Legislative Document

No. 1592

S.P. 556

In Senate, December 27, 1993

An Act to Amend the Maine Self-Insurance Guarantee Association Assessment Base.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Received by the Secretary of the Senate on December 27, 1993. Referred to the Committee on Banking and Insurance and 1200 ordered printed pursuant to Joint Rule 14.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator CAREY of Kennebec. Cosponsored by Senator: DUTREMBLE of York.

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

Sec. 1. 39-A MRSA §404, sub-§4, ¶¶E and F, as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, are amended to read:

E. For the purposes of this subsection, "annual standard premium for an individual self-insurer" means the annual premium produced by applying the manual rates, - rating-rules, excluding - any - premium - discount, - and - experience - rating procedure approved by the Superintendent of Insurance for the Safety-Pool-of-the-residual-market-mechanism-described in workers' compensation advisory loss cost filing of the designated workers' compensation advisory organization pursuant to Title 24-A, section 2386 2382-C, multiplied by 1.2, to the exposure and experience of the individual self-insurer.

2.6

F. For the purposes of this subsection, "annual standard premium for a group self-insurer" means the total annual premium that would have been paid by all members of that group using the manual rates, -rating-rules, -excluding-any premium-discount, -and-experience-rating-precedure approved by the Superintendent of Insurance for that-self-insurer the workers' compensation advisory organization pursuant to Title 24-A, section 2382-C, multiplied by 1.2, to the exposure and experience of the self-insurance group members.

#### STATEMENT OF FACT

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Existing provisions for the Maine Self-Insurance Guarantee Association new member assessment and postinsolvency assessment found in the Maine Revised Statutes, Title 39-A, section 404 are based on workers' compensation rates that were formerly approved by the Superintendent of Insurance and were based on filings by the National Council of Compensation Insurance. Due to the deregulation of the workers' compensation insurance market on January 1, 1993, these rates are no longer established by the Superintendent of Insurance. This bill provides definitions that apply to the new deregulated rate procedure.

This document has not yet been reviewed to determine the need for cross-reference, stylistic and other technical amendments to conform existing law to current drafting standards.