

# 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)



# 116th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1994

---

Legislative Document

No. 1739

H.P. 1291

House of Representatives, January 19, 1994

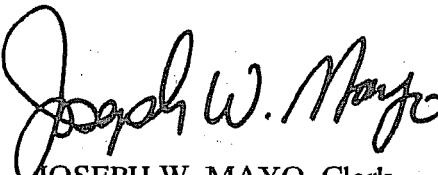
**An Act Regarding the Workers' Compensation Residual Market  
Mechanism.**

(AFTER DEADLINE)

(EMERGENCY)

---

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.

  
JOSEPH W. MAYO, Clerk

Presented by Representative PINEAU of Jay.  
Cosponsored by Senator McCORMICK of Kennebec and  
Representative: CARLETON of Wells.

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

4  
6           Whereas, the Superintendent of Insurance may commence an  
examination of fresh start deficits in the State's residual  
8           market for workers' compensation for past policy years early in  
1993; and

10           Whereas, the Bureau of Insurance requires additional funds  
to effectively conduct such a proceeding; and

12  
14           Whereas, these funds must be assessed promptly to be  
available for any fresh start proceeding commenced in the first  
16           1/2 of 1994; and

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

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

26           **Sec. 1. 24-A MRS §2386-A, sub-§6, ¶B,** as enacted by PL 1991,  
c. 885, Pt. B, §12 and affected by §13, is amended to read:

28           B. At the time the superintendent begins the proceeding  
required by this ~~subsection~~ section, the insurance carriers  
30           participating in the proceeding shall pay to the  
superintendent a fee of \$20,000, which the superintendent  
32           shall immediately credit to the Public Advocate. The fee is  
to be segregated and expended for the purpose of employing  
34           outside consultants and paying other expenses, including  
staff salaries, to fulfill the requirements of this  
36           subsection. Any portion of the fee not so expended is to be  
returned to the insurance carriers.

38           **Sec. 2. 24-A MRS §2386-A, sub-§11** is enacted to read:

40           11. Costs. The insurance carriers participating in the  
42           proceeding required by this section are responsible for the  
reasonable costs related to the proceeding, including the conduct  
44           of the hearing and the fees and expenses of any independent  
consultants retained by the superintendent pursuant to section  
46           208.

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

2

## STATEMENT OF FACT

4

6

8

10

12

14

16

This bill changes an internal reference from subsection to section. It also clarifies that the insurance carriers participating in the fresh start proceedings of the workers' compensation residual market mechanism pay for the reasonable costs of the superintendent in conducting the proceeding.

---

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.