

# 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)



# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

---

Legislative Document

No. 953

H.P. 695

House of Representatives, March 23, 1995

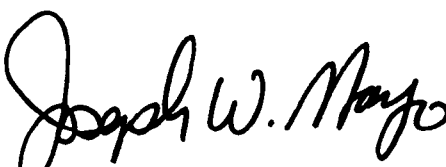
**An Act to Amend the Workers' Compensation Board's Annual Assessment.**

(EMERGENCY)

---

Reported by Representative HATCH for the Workers' Compensation Board and the Superintendent of Insurance pursuant to Public Law 1993, chapter 619.

Reference to the Joint Standing Committee on Labor suggested and printing ordered under Joint Rule 20.

  
JOSEPH W. MAYO, Clerk

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,** Public Law 1993, chapter 619 required a report to  
the Joint Standing Committee on Labor by the Superintendent of  
Insurance and the Executive Director of the Workers' Compensation  
8 Board by January 15, 1995 on the most equitable pro rata  
distribution of the Workers' Compensation Board's annual  
10 assessment between insureds and self-insureds; and

12           **Whereas,** determination of the annual Workers' Compensation  
Board's assessment is required by law prior to May 1st of each  
14 year; and

16           **Whereas,** without further legislation the basis of this  
assessment may be seriously questioned and the financial support  
18 of the services provided by the Workers' Compensation Board be  
threatened causing unneeded confusion to employees and employers  
20 alike; and

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

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

30           **Sec. 1. 39-A MRSA §154, sub-§5,** as amended by PL 1993, c. 619,  
§3, is further amended to read:

32           **5. Amounts of premiums and losses; distribution of**  
34 **assessment.** The Bureau of Insurance shall provide to the board  
the amounts of gross direct workers' compensation premiums  
36 written by each insurance carrier and the amounts of aggregate  
benefits paid by each self-insurer and group self-insurer on or  
38 before April 1st of each year. ~~For~~ Beginning with the assessment  
for the fiscal year beginning July 1, 1994 1995 and thereafter,  
40 the total assessment must be distributed between insurance  
companies or associations and self-insured employers in direct  
42 proportion to the pro rata share of disabling cases attributable  
to each group for the most recent calendar year ~~1993~~ for which  
44 data is available. This distribution of the assessment must be  
determined on a basis consistent with the ~~Five-Year-Comparison,~~  
46 ~~Disabling--Cases,--Number--and--Percent--by--Insurer--Type,--Maine,~~  
~~1991-1992~~ information reported by the Department of Labor, Bureau  
48 of Labor Standards, Research and Statistics Division in its  
~~October--1993--edition--of~~ annual Characteristics of Work-Related  
50 Injuries and Illnesses in Maine, ~~1992~~ publication, provided that

2 the any segment of the market identified as "not-insured" must be  
3 excluded from the calculation of proportionate shares. In  
4 consultation with the Director of Labor Standards, the board  
5 shall determine a date prior to the required assessment to  
6 establish the distribution.

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

10  
12

**STATEMENT OF FACT**

13 This bill represents a report required by Public Law 1993,  
14 chapter 619 to the Joint Standing Committee on Labor from the  
15 Superintendent of Insurance and the Executive Director of the  
16 Workers' Compensation Board on the most equitable pro rata  
17 distribution of the Workers' Compensation Board's annual  
18 assessment. Without this emergency legislation, the basis for  
19 the assessment may be in doubt and the services of the board may  
20 be seriously interrupted. The board is required to determine its  
assessment annually by May 1st.