

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 1470

S.P. 532

In Senate, May 2, 1995

**An Act to Authorize Participation by the Public Advocate in a
Regulatory Proceeding Concerning the Residual Market Mechanism for
Workers' Compensation.**

Submitted by the Office of Public Advocate pursuant to Joint Rule 24.
Reference to the Committee on Banking and Insurance suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS
Secretary of the Senate

Presented by Senator CARPENTER of York.
Cosponsored by Representative TAYLOR of Cumberland and
Representative: MITCHELL of Vassalboro.

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

2

4

Sec. 1. Costs in the workers' compensation residual market mechanism remand proceeding before the Superintendent of Insurance.

6 In any remand, reopening or other proceeding initiated by the
Superintendent of Insurance in response to orders of the Superior
8 Court or the Supreme Judicial Court concerning the residual
market mechanism, in Civil Action Docket Nos. CV-93-161,
CV-93-318 and CV-94-242 or Law Court Docket KEN-95-53, the
10 advisory organization shall pay to the superintendent a fee of
\$50,000, which the superintendent shall immediately credit to the
12 Office of Public Advocate. Use of the fee is governed by the
criteria set out for the Public Advocate's participation in
14 proceedings on the residual market mechanism under the Maine
Revised Statutes, Title 24-A, section 2386-A, subsection 6,
16 paragraph B.

18

Sec. 2. Allocation. The following funds are allocated from the
advisory organization in section 1 to carry out the purposes of
20 this Act.

22

1995-96

24

PUBLIC ADVOCATE

26

Filing Fee Fund

28

All Other

\$50,000

30

STATEMENT OF FACT

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34 A decision in October 1994 in Superior Court has remanded to
the Bureau of Insurance certain issues affecting the
responsibility of insurance carriers for deficits in the State's
36 residual market for workers' compensation in 1992. This decision
has been appealed to the Law Court along with similar decisions
38 for policy years 1993 and 1994. As an active participant in the
original proceeding, the Public Advocate is obligated to
40 represent the interests of affected policyholders in a remand
proceeding but has no funding mechanism to cover the costs of
42 participating in this case. This bill provides funding for the
Public Advocate's participation in the remand proceeding in the
44 form of an assessment on workers' compensation providers.