

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 1326

H.P. 989

House of Representatives, March 5, 2001

An Act to Support Continued Operation of the Workers' Compensation Board.

(EMERGENCY)

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative MATTHEWS of Winslow.
Cosponsored by Senator EDMONDS of Cumberland and
Representatives: HUTTON of Bowdoinham, TARAWEWICH of Waterboro.

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,** assessments on workers' compensation insurance
companies by the Workers' Compensation Board for the following
fiscal year must be made prior to May 1st; and

8
10 **Whereas,** it is necessary to have an increase of those
assessments go into effect prior to May 1st; and

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

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

20 **Sec. 1. 39-A MRS §154, sub-§6,** as amended by PL 1999, c. 359,
§1, is further amended to read:

22 **6. Assessment levied.** The assessments levied under this
24 section may not be designed to produce more than \$6,000,000 in
revenues annually beginning in the 1995-96 fiscal year, more than
26 \$6,600,000 annually beginning in the 1997-98 fiscal year or more
than \$6,735,000 beginning in the 1999-00 fiscal year. Beginning
28 in the 2001-02 fiscal year, the maximum assessment must be
annually increased as follows: the portion of the board's budget
30 designated "All Other" must be increased by a factor equal to the
inflation factor set by the Revenue Forecasting Committee
32 pursuant to Title 5, section 1710-G and the portion of the
board's budget designated "Personal Services" must be increased
34 by an amount equal to increases in employee salaries and
benefits. Assessments collected that exceed \$6,000,000 beginning
36 ~~in the 1995-96 fiscal year, \$6,600,000 beginning in the 1997-98~~
~~fiscal year or \$6,735,000 beginning in the 1999-00~~ the maximum
38 assessment in a fiscal year by a margin of more than 10% must be
refunded to those who paid the assessment. Any amount collected
40 above the board's allocated budget and within the 10% margin must
be used to create a reserve of up to 1/4 of the board's annual
42 budget. Any collected amounts or savings above the allowed
reserve must be used to reduce the assessment for the following
44 fiscal year. The board shall determine the assessments prior to
May 1st and shall assess each insurance company or association
46 and self-insured employer its pro rata share for expenditures
during the fiscal year beginning July 1st. Each self-insured
48 employer shall pay the assessment on or before June 1st. Each
insurance company or association shall pay the assessment in
50 accordance with subsection 3.

