

MAINE STATE LEGISLATURE

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L.D. 1413

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**STATE OF MAINE
SENATE
120TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to S.P. 433, L.D. 1413, Bill, "An Act to Transfer Administration of the Workers' Compensation Employment Rehabilitation Fund to a Voluntary Coalition of Parties in Interest"

Amend the bill by striking out the title and substituting the following:

'An Act to Transfer Administration of Certain Reimbursement Functions of the Workers' Compensation Employment Rehabilitation Fund to a Voluntary Coalition of Parties in Interest'

Further amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

'Sec. 1. 39-A MRSA §213, sub-§3, as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, is amended to read:

3. Dates of injury between January 1, 1993 and January 1, 1998. An employee whose date of injury is between January 1, 1993 and January 1, 1998, who has not settled the claim pursuant to section 352 and whose impairment rating is 15% or less to the body but exceeds the adjusted threshold established pursuant to subsection 2 on January 1, 1998 is entitled to compensation for the duration of the disability. Reimbursement to the employer, insurer or group self-insurer for the payment of all benefits payable in excess of 260 weeks of compensation under this subsection must be made from the ~~Employment-Rehabilitation-Fund~~ Supplemental Benefits Fund created in section 355-A.

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2 **Sec. 2. 39-A MRSA §213, sub-§4**, as amended by PL 1999, c. 404,
§1, is further amended to read:

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6 **4. Extension of 260-week limitation.** Effective January 1,
1998 and every January 1st thereafter, the 260-week limitation
8 contained in subsection 1 must be extended 52 weeks for every
year the board finds that the frequency of such cases involving
10 the payment of benefits under section 212 or 213 is no greater
than the national average based on frequency from the latest unit
12 statistical plan aggregate data for Maine and on a countrywide
basis, adjusted to a unified industry mix. The 260-week
14 limitation contained in subsection 1 may not be extended under
this subsection to more than 520 weeks. For payments relating to
16 injuries occurring before January 1, 2000, reimbursement to the
employer, insurer or group self-insurer for the payment of all
18 benefits for additional weeks payable pursuant to this subsection
must be made from the Employment-Rehabilitation-Fund Supplemental
Benefits Fund created in section 355-A.

20 **Sec. 3. 39-A MRSA §355, sub-§13**, as enacted by PL 1991, c.
22 885, Pt. A, §8 and affected by §§9 to 11, is repealed.

24 **Sec. 4. 39-A MRSA §355, sub-§14** is enacted to read:

26 **14. Funding; assessments.** This subsection governs funding
of the Employment Rehabilitation Fund.

28 A. The board may levy an assessment when the balance in the
fund is insufficient to meet obligations of the fund under
30 this section. The assessment must be levied on each insurer
based on its actual paid losses during the previous calendar
32 year.

34 B. Every insurer shall keep as permanent records a record
of the amount and date of each loss paid. The records must
36 be open for inspection at all times. Every insurer shall,
on or before the 60th day following the end of a calendar
38 quarter, render a report to the State Tax Assessor stating
the amount of losses paid by the insurer during the
40 preceding calendar quarter. That report must contain any
42 further information the board prescribes by rule.

44 C. The State Tax Assessor shall pay daily all receipts from
any assessment and any receipts received under paragraph F
46 to the Treasurer of State. The Treasurer of State shall
deposit all receipts as received in the fund.

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COMMITTEE AMENDMENT "A" to S.P. 433, L.D. 1413

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D. The State Tax Assessor or the State Tax Assessor's duly authorized agent or the board, for the purpose of determining the truth or falsity of any statement or return made by the insurer, may:

(1) Enter any place of business of an insurer to inspect any books or records of the insurer;

(2) Notwithstanding any other provision of law, inspect any records or reports filed by an insurer with the Superintendent of Insurance; and

(3) Delegate these powers to the Superintendent of Insurance or the superintendent's deputies, agents or employees.

E. Whenever any insurer fails to pay any assessment due under this subsection within the time specified by the board, the Attorney General shall enforce payment by civil action against that insurer for the amount of the assessment in the Superior Court in and for the county or the District Court in the division in which that insurer has the insurer's place of business, or in the Superior Court of Kennebec County.

F. In every case of the death of any employee when there is no person entitled to compensation, the employer shall pay to the Treasurer of State a sum equal to 100 times the average weekly wage in the State as computed by the Department of Labor to be credited to the fund.

G. For the purposes of this subsection, "insurer" means an insurance company or association that does business or collects premiums for workers' compensation insurance in this State or an individual or group self-insurer under this Act, including the State and any other public or governmental authority.

Sec. 5. 39-A MRSA §§355-A to 355-C are enacted to read:

§355-A. Supplemental Benefits Fund

1. Creation of fund. The Supplemental Benefits Fund, referred to in this section and sections 355-B to 356 as the "fund," is created to reimburse insurers and self-insurers for their payments of compensation to employees under section 213, subsections 3 and 4.

2. Administration of fund. The Supplemental Benefits Fund

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2 is administered by the Supplemental Benefits Oversight Committee
3 in accordance with this section and sections 355-B to 356. The
4 Treasurer of State is the custodian of the fund. All money and
5 securities in the fund must be held in trust by the Treasurer of
6 State for the purpose of making payments under this Act and are
7 not money or property for the general use of the State. The fund
8 does not lapse. Investment decisions regarding the fund are made
9 by the Supplemental Benefits Oversight Committee or the service
10 agent, as provided in section 355-B, subsection 10. Interest,
11 income and dividends from investments must be credited to the
12 fund. The Treasurer of State may disburse money from the fund
13 only upon written order of the Supplemental Benefits Oversight
14 Committee or the committee's duly appointed service agent.

15 **3. Freedom from liability.** The State, members of the
16 Supplemental Benefits Oversight Committee, service agents and
17 subcontractors of a service agent are not liable for any claim
18 against the fund that is in excess of the fund's ability to pay.
19 If any claim against the fund is denied due to an inadequate fund
20 balance, that claim has priority over later claims when an
21 adequate balance is restored.

22 **§355-B. Supplemental Benefits Oversight Committee**

23 The Supplemental Benefits Oversight Committee, referred to
24 in this section and sections 355-C and 356 as the "committee," is
25 created and charged with the duty to monitor, facilitate and
26 provide general oversight in the administration of reimbursement
27 of workers' compensation benefit obligations of the fund pursuant
28 to section 213, subsections 3 and 4.

29 **1. Members.** The committee consists of 5 members, appointed
30 by the Governor as follows:

31 A. Two members must represent employers. One must be
32 appointed from the list provided by the Maine State Chamber
33 of Commerce or its successor organization. One must be an
34 approved self-insured employer, appointed from the list
35 provided by the Maine Council of Self-insurers or its
36 successor organization;

37 B. One member must represent insurers and must be appointed
38 from the list provided by the Superintendent of Insurance;

39 C. One member must represent labor interests and must be
40 appointed from the list provided by the Maine AFL-CIO or its
41 successor organization; and

42 D. One member must be an at-large member who possesses
43 skills and experience suited to the functions of the
44 committee.

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2 2. Terms. Except for members of the initial committee,
3 members are appointed for terms of 3 years. Committee members
4 may serve multiple terms. Of the initial committee member
5 appointments, one member must be appointed for a term of one
6 year, 2 must be appointed for terms of 2 years and 2 must be
7 appointed for terms of 3 years, at the discretion of the
8 Governor. The committee is not authorized to begin transacting
9 business until the Governor has made all 5 initial committee
10 appointments.

12 A. The Governor may remove a member for cause.

14 B. If a vacancy occurs on the committee after initial
15 appointments are made, the committee may select an alternate
16 member representing the same entity represented by the
17 vacant position to serve until the Governor makes a new
18 appointment. The Governor shall make appointments to fill
19 vacancies in the same manner in which the member whose
20 leaving caused the vacancy was appointed.

22 3. Alternate members. The Governor shall appoint 3
23 alternate members for each member appointed under subsection 1.
24 An alternate for a member appointed under subsection 1,
25 paragraphs A to C must be named from the alternate member list
26 provided by the same entity that provided the list for
27 appointment of the member. An alternate member may serve on the
28 committee in the event of a vacancy pursuant to subsection 2,
29 paragraph B or when a member has a conflict of interest pursuant
30 to subsection 5. An alternate member is entitled to the same
31 compensation and protections from liability as a member when
32 serving on the committee.

34 4. Voting; quorum. A quorum consists of 4 members of the
35 committee. Each member has one vote that must be exercised. A
36 decision may not be made by the committee without at least 3
37 affirmative votes. A member who does not vote is considered to
38 have voted in the negative.

40 5. Conflict of interest. A member may not participate in
41 any matter in which that member has an actual or potential
42 conflict of interest. A member may not participate in
43 deliberations on such a matter and may not vote on that matter.
44 A conflict of interest exists if the member, the person that
45 employs that member or the person that the member represents is
46 financially interested in the matter. If a member is unable to
47 participate in a matter pursuant to this subsection, the
48 committee shall select an alternate member representing the same
49 interest from the alternate members appointed pursuant to
50 subsection 3. The alternate member serves under this

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2 subsection for the limited purpose of deciding the financial
3 responsibility, if any, of the fund to an insurer or self-insurer
4 regarding a reimbursement request concerning which a member of
5 the committee is precluded from participating pursuant to this
6 subsection.

7 6. Compensation. A member of the committee receives a per
8 diem of \$100 per day and reimbursement of actual and necessary
9 expenses while attending to the business of the fund. Per diem
10 and expenses are paid from the fund.

11 7. Liability. A member of the committee is not liable in a
12 civil action for any act performed in good faith in the execution
13 of duties as a member of the committee. The fund must indemnify a
14 member against judgments, fines, amounts paid in settlement,
15 reasonable costs and expenses, including attorney's fees, and any
16 other liabilities that may be incurred as a result of legal
17 actions or threatened legal actions, except in relation to
18 matters in which the member is adjudged to be liable by reason of
19 willful misconduct in the performance of duties or obligations to
20 the committee.

21 8. Legal representation. The committee, directly or
22 through a service agent, may seek the advice and counsel of the
23 Attorney General or retain private counsel through service
24 contracts. The Attorney General may not prosecute an assessment
25 against the State or defend the fund against any claims brought
26 by the State. Reasonable costs of legal representation by the
27 Attorney General or attorneys contractually retained by the
28 committee or its service agent are chargeable to the fund.

29 9. Board proceedings. Neither the fund nor the committee
30 has standing or authority to participate directly or indirectly
31 in any proceeding before the board regarding the level or
32 duration of benefits payable to an employee.

33 10. Fund management; fiduciary duty. Each member of the
34 committee is held to account as a fiduciary in the administration
35 of the fund's assets. Management and investment of the assets of
36 the account by the committee or a service agent must conform to
37 prudent investor standards. The committee shall maintain
38 complete and accurate records of investments, money and other
39 assets comprising the corpus of the fund. The committee shall
40 provide to the board on the first business day of January, April,
41 July and October each year an accounting respecting the fund's
42 assets and transactions relating to activities of the committee.
43 The board shall promptly notify the joint standing committee of
44 the Legislature having jurisdiction over labor matters of any
45 concerns raised by those reports.

46 11. Records and proceedings of committee. For the purposes

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COMMITTEE AMENDMENT "A" to S.P. 433, L.D. 1413

of Title 1, chapter 13, subchapter I:

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A. Records in the possession of the committee that relate to individual workers' compensation claims, claims for reimbursement by insurers and self-insurers under section 213, subsection 3 or 4 or claims settlement activities are not public records; and

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B. Proceedings of the committee relating to individual workers' compensation claims, claims for reimbursement by insurers and self-insurers under section 213, subsection 3 or 4 or claims settlement activities are not public proceedings.

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12. Rulemaking. The committee may adopt procedural rules in accordance with Title 5, chapter 375 as necessary to facilitate timely and proper administration of the affairs of the fund. These rules are major substantive rules as defined in Title 5, chapter 375, subchapter II-A.

22 **§355-C. Powers and duties of committee; reimbursement**

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26
The committee shall review and evaluate requests for reimbursement of workers' compensation benefits paid or payable under section 213, subsections 3 and 4.

28
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1. Power to bind fund. The committee has power to bind the fund with respect to the monetary value of each settlement reimbursable from the fund.

32
2. Request for reimbursement; information required. A request for reimbursement from the fund must include:

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A. If the claim for reimbursement is made pursuant to section 213, subsection 3, evidence that the claimant employee's date of injury is on or after January 1, 1993 and before January 1, 1998. If the claim for reimbursement is made under section 213, subsection 4, evidence that the claimant employee's date of injury is on or after January 1, 1993 and before January 1, 2000;

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B. Complete medical reports, agreements or orders relating to the employee's permanent impairment;

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C. Evidence that the insurer or self-insurer has paid or is liable for payment of 260 weeks of indemnity benefits pursuant to section 212 or 213;

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D. Evidence that the benefit payments for which reimbursement is requested were paid or are payable under section 213;

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2 E. Verification that the insurer or self-insurer has
4 adjusted and is adjusting the claim for which reimbursement
6 is requested in a manner that is consistent with usual and
8 customary claims service provided by the insurer or
10 self-insurer for claims that are not subject to
 reimbursement under section 213. At a minimum, verification
 must include evidence that the insurer or self-insurer has
 monitored the claimant employee's medical condition and
 investigated return-to-work options applicable in the
 circumstance; and

12 F. Such other information or requirements as the committee
14 may prescribe.

16 3. Determinations. The committee shall review requests for
18 reimbursement within 14 days of receipt of the request or within
20 a longer period of time if mutually acceptable to the parties.
22 The committee shall issue a final determination, designated as
24 such, to each insurer or self-insurer that has requested
 reimbursement. An insurer or self-insurer may petition the board
 for a hearing before a hearing officer within 30 days of notice
 of the determination. Review by the board is limited to errors
 of law and abuse of discretion.

26 4. Effect of board decrees. The fund and the committee are
28 bound to the same extent as the employee and insurer or
 self-insurer by decrees of the board.

30 5. Effect of mediation agreement or consent decree. The
32 fund is bound as to any question of law or fact by reason of a
34 mediation agreement under section 313 or a consent decree,
36 provided the committee was given notice of the terms of the
38 agreement or decree at least 21 days before the effective date of
 the agreement or decree and did not object. The fund is not
 bound by the agreement or decree if the committee provides a
 written objection to the proposed terms of the agreement or
 decree to the insurer or self-insurer.

40 6. Effect of independent medical examiner's report. The
42 fund is bound to the same extent as the employee and the insurer
44 or self-insurer by findings contained in an independent medical
 examiner's report provided pursuant to section 312.

46 7. Service agent. The committee, by contract, may delegate
48 day-to-day business operations of the fund and duties and powers
50 of the committee regarding reimbursement requests or assessments
52 to a service agent qualified under this subsection. Pursuant to
 the contract, a service agent retained under this subsection must
 be held to account as a fiduciary in the administration of the
 assets of the fund and in the conduct of the business affairs of
 the fund.

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2 A. The committee shall enter into written contracts with
4 persons or entities qualified by good business reputation,
 training, education and experience to perform day-to-day
6 duties in administering the fund's responsibilities set
 forth in section 213, subsections 3 and 4. Such a person
8 is referred to in this section and sections 355-A, 355-B
 and 356 as the "service agent." A service agent must hold
10 all licenses, registrations and permits required to engage
 in activities or undertake responsibilities delegated
 pursuant to the contract.

12
14 B. A service agent may subcontract with attorneys
 acceptable to the committee to advise or represent the fund
16 in legal actions as necessary. Expenses of the service
 agent and attorneys retained by the service agent, upon
 approval by the committee, are paid from the fund.

18
20 C. A service agent shall acknowledge and reimburse claims
 of insurers and self-insurers consistent with terms of any
22 proposed or executed settlement among parties to the
 settlement, provided that the service agent has been
24 accorded notice and opportunity to participate regarding the
 terms and conditions of the settlement and that the
26 commitment to reimburse the insurer or self-insurer is in
 the best interest of the fund.

28 D. A service agent may be empowered, by contract, to levy
 assessment in the name of the fund, institute assessment
30 collection procedures, including legal action if necessary,
 process requests for reimbursement from the fund in a timely
32 manner, deposit money in the fund with the Treasurer of
 State if such funds are not needed to meet immediate cash
34 flow demands and commit the fund to agreed levels of insurer
 or self-insurer reimbursement based upon review and
36 assessment of prospects of consensual settlements.

38 E. A service agent shall make recommendations to the
 committee regarding rule-making standards considered
40 necessary to the proper administration of the fund.

42 Sec. 6. 39-A MRSA §356, as amended by PL 1995, c. 560, Pt. G,
44 §26, is further amended to read:

46 **§356. Funding of Supplemental Benefits Fund**

48 ~~1. -- Assessment. -- The board may levy an assessment on each~~
 ~~insurer based on its actual paid losses during the previous~~
50 ~~calendar year when the amount of money in the Employment~~
 ~~Rehabilitation Fund is less than \$500,000.~~

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2 1-A. Assessment. The committee may levy an assessment
3 against insurers to provide funds to meet the obligations of the
4 fund for reimbursement pursuant to section 213, subsections 3 and
5 4. The committee may also delegate its duties and powers under
6 this section to a service agent pursuant to section 355-C,
7 subsection 7.

8 A. To the extent practicable, the committee shall make an
9 assessment on June 1st of each year in which the fund is
10 obligated to make reimbursement. The amount of the
11 assessment must be an amount estimated to be sufficient to
12 reimburse qualified insurers during the next 12 months.
13 Supplementary assessments may be levied during the 12-month
14 period if exigent conditions arise and the balance in the
15 fund is inadequate to discharge reimbursements in a timely
16 manner. No more than 2 supplementary assessments may be
17 levied in any 12-month period.

18 B. The assessment must be distributed between insurance
19 carriers and self-insured employers in direct proportion to
20 the pro rata share of disabling cases attributable to each
21 of the payor classifications for the most recent calendar
22 year for which data are available. The distribution of the
23 assessment must be determined on a basis consistent with the
24 information reported by the Department of Labor, Bureau of
25 Labor Standards, Research and Statistics Division in its
26 annual "Characteristics of Work-Related Injuries and
27 Illnesses in Maine" publication. Any segment of the market
28 identified in the publication as "not insured" must be
29 excluded from the calculation of proportionate shares.

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32 (1) In consultation with the Director of the Bureau of
33 Labor Standards, the committee shall determine a date
34 prior to the required assessment to establish a
35 distribution. On or before May 1st of each year, the
36 Department of Professional and Financial Regulation,
37 Bureau of Insurance shall provide to the committee the
38 amounts of gross direct workers' compensation premiums
39 written by each licensed insurance carrier and the
40 amount of aggregate benefits paid by each individual
41 and group self-insurer for the preceding calendar year.

42
43 C. An assessment against insurers must be based on premiums
44 charged to employers pursuant to section 154, subsection 3,
45 paragraph B-1. The assessment must be stated as a
46 percentage of each employer's premium base. Insurers shall
47 apply the percentage to premiums collected beginning on July
48 1st. If a supplementary assessment is levied, the committee
49 shall notify insurers of the new percentage and the insurers
50 shall apply the new percentage to premiums written beginning

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on the 31st day following notification.

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(1) The total value of assessments collected from insurers pursuant to this section must be credited to the fund. Each insurer that collects workers' compensation premiums or assessments shall file with the committee on a form prescribed by the committee a return certified by the insurer's chief financial officer specifying assessment collections relating to the calendar quarter next preceding the 15th day of April, July, October and January of each year in which an assessment is applicable. Affiliated insurers may consolidate payments made to the fund if each carrier is licensed and premium reports respecting that insurer are individually reported within the consolidated return. Payment of amounts collected pursuant to this section must be remitted to the fund at the time the premium return is filed with the committee.

(2) The Department of Professional and Financial Regulation, Bureau of Insurance shall report to the board, the committee and any service agent all newly authorized workers' compensation carriers in order to facilitate notification to those carriers of their obligation under this section.

(3) Any insurance carrier subject to this section that willfully fails to pay an assessment in accordance with this section commits a civil violation for which a forfeiture of not more than \$500 may be adjudged for each day following the due date for which the payment is not made.

D. Except for newly approved workers' compensation self-insurers, each self-insurer must be assessed a dollar amount based on the proportion that the self-insurer's aggregate benefits paid as reported pursuant to section 154, subsection 5 bears to the aggregate benefits paid by all self-insurers as so reported. If a supplementary assessment is levied, the committee shall notify self-insurers 30 days prior to the date upon which the assessment is due.

(1) The total value of assessments collected from self-insured employers under this section must be credited to the fund. Each self-insurer shall file with the committee on a form prescribed by the committee a return certified by the self-insurer's chief financial officer attesting to the accuracy of

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2 the amount owed to the fund. Payment of the assessment
3 must be remitted to the fund at the time the return is
4 filed with the committee. The form and payment are due
5 on the later of July 1st and 30 days after the
6 committee levies the assessment.

7 (2) The Department of Professional and Financial
8 Regulation, Bureau of Insurance shall report to the
9 board, the committee and any service agent all newly
10 approved workers' compensation self-insurers in order
11 to facilitate notification to those self-insurers of
12 their obligation under this section. A newly approved
13 self-insurer that has historically purchased a policy
14 or policies of workers' compensation covering workers'
15 compensation exposures in this State shall pay
16 assessment to the fund based on the assessment
17 percentage applicable to insurers until the
18 self-insurer has paid benefits for 12 months.

19 (3) A self-insurer subject to this section that
20 willfully fails to pay an assessment in accordance with
21 this section commits a civil violation for which a
22 forfeiture of not more than \$500 may be adjudged for
23 each day following the due date for which the payment
24 is not made.

25 E. Rates and premiums charged for workers' compensation
26 policies may not be considered excessive if a surcharge
27 calculated pursuant to this section is made to recoup
28 assessments paid to the fund. Any surcharge so made must be
29 specifically identified upon the policies or other evidence
30 of coverage. Such surcharges are not subject to premium
31 taxes.

32 ~~2. -- Death of an employee. -- In every case of the death of any~~
33 ~~employee when there is no person entitled to compensation, the~~
34 ~~employer shall pay to the Treasurer of State a sum equal to 100~~
35 ~~times the average weekly wage in the State as computed by the~~
36 ~~Department of Labor to be credited to the Employment~~
37 ~~Rehabilitation Fund.~~

38 ~~3. -- Records and reports. -- Every insurer shall keep as~~
39 ~~permanent records a record of the amount and date of each loss~~
40 ~~paid. The records must be open for inspection at all times.~~
41 ~~Every insurer shall, on or before the 60th day following the end~~
42 ~~of a calendar quarter, render a report to the State Tax Assessor~~
43 ~~stating the amount of losses paid by the insurer during the~~
44 ~~preceding calendar quarter. That report must contain any further~~
45 ~~information the board prescribes by rule.~~

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2 ~~4.--Appropriation of money received.--The State Tax Assessor~~
 shall pay daily all receipts from any assessment and any receipts
 4 ~~received under subsection 2 to the Treasurer of State daily.--The~~
 Treasurer of State shall deposit all receipts as received in the
 6 ~~Employment Rehabilitation Fund.~~

8 ~~5.--Inspections.--The State Tax Assessor or the State Tax~~
 Assessor's duly authorized agent or the board, for the purpose of
 10 ~~determining the truth or falsity of any statement or return made~~
 by the insurer, may:

12 ~~A.--Enter any place of business of an insurer to inspect any~~
 14 ~~books or records of the insurer;~~

16 ~~B.--Notwithstanding any other provision of law, inspect any~~
 18 ~~records or reports filed by an insurer with the~~
 Superintendent of Insurance; and

20 ~~C.--Delegate these powers to the Superintendent of~~
 22 ~~Insurance, the superintendent's deputies, agents or~~
 employees.

24 **6. Civil action.** Whenever any insurer fails to pay any
 assessment due under this section within the time limit, the
 26 Attorney General shall enforce payment by civil action against
 that insurer for the amount of the assessment in the Superior
 28 Court in and for the county or the District Court in the division
 in which that insurer has the insurer's place of business, or in
 30 the Superior Court of Kennebec County.

32 **7. Insurer defined.** For the purposes of this section,
 "insurer" means an insurance company or association that does
 34 business or collects premiums for workers' compensation insurance
 in this State or an individual or group self-insurer under this
 36 Act, including the State and other public or governmental
 authority.

38 **Sec. 7. Division of fund; initial assessment.** The Treasurer of
 40 State shall divide the balance of the Employment Rehabilitation
 Fund, as of the effective date of this Act, between the
 42 Employment Rehabilitation Fund and the Supplemental Benefits Fund
 created in this Act, as follows. If the balance in the
 44 Employment Rehabilitation Fund is \$1,000,000 or more, the balance
 must be divided evenly between the 2 funds. If the balance is
 46 more than \$300,000 but less than \$1,000,000, the Treasurer of
 State shall allocate \$300,000 to the Employment Rehabilitation
 48 Fund and the remainder to the Supplemental Benefits Fund. If the
 balance is \$300,000 or less, the Treasurer of State shall
 50 allocate the entire balance to the Employment

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2 Rehabilitation Fund. If the amount allocated to the Supplemental
Benefits Fund under this section is not sufficient to fund the
4 obligations of the Supplemental Benefits Fund under the Maine
Revised Statutes, Title 39-A, section 213, subsections 3 and 4,
6 the Supplemental Benefits Oversight Committee may levy an initial
assessment under Title 39-A, section 356 to provide funds needed
until the next assessment authorized by law.

8
Sec. 8. Transition. As of the effective date of this Act, the
10 Workers' Compensation Board may no longer process requests for
reimbursement from insurers pursuant to the Maine Revised
12 Statutes, Title 39-A, section 213, subsections 3 and 4. All
requests for such reimbursement filed with the board that have
14 not received a final determination and been paid by the board
must be forwarded to the Supplemental Benefits Oversight
16 Committee without prejudice.

18 **Sec. 9. Interpretation.** Entitlement rights of claimants
arising from benefits payable under the Maine Revised Statutes,
20 Title 39-A, section 213, subsection 4 and benefit extensions
ordered by the Workers' Compensation Board under that subsection
22 are not modified, extended or abridged by amendments in this Act
to Title 39-A, sections 355 to 356.

24
Sec. 10. Labor committee review. The Supplemental Benefits
26 Oversight Committee created in the Maine Revised Statutes, Title
39-A, section 355-B shall meet with the Joint Standing Committee
28 on Labor not later than February 1, 2002 to discuss
implementation of this Act and to make recommendations for any
30 changes needed to the Supplemental Benefits Fund or its
operations. The Joint Standing Committee on Labor is authorized
32 to report out legislation to the Second Regular Session of the
120th Legislature to amend the law as needed.'

34
Further amend the bill by inserting at the end before the
36 summary the following:

38
FISCAL NOTE

40
This bill has no fiscal impact on the Department of the
42 Attorney General if the Supplemental Benefits Oversight Committee
retains private counsel. If the committee utilizes the
44 Department of the Attorney General for advice and counsel, the
department will incur additional costs. If the request for
46 services is minimal, the department can absorb the additional
costs utilizing existing budgeted resources. If the additional
48 workload represents a significant increase for the department,
additional Other Special Revenue allocations to support a
50 part-time Assistant Attorney General will be required.

