

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 35

S.P. 21

In Senate, January 14, 2003

**An Act To Increase the Assessment on Workers' Compensation
Insurance To Fund the Workers' Compensation Board
Administrative Fund**

Reported by Senator EDMONDS of Cumberland for the Workers' Compensation Board pursuant to the Maine Revised Statutes, Title 39-A, section 152, subsection 11.

Reference to the Committee on Labor suggested and ordered printed under Joint Rule 218.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

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

Sec. 1. 39-A MRSA §154, sub-§6, as amended by PL 2001, c. 692, §1, is further amended to read:

6. Assessment levied. The assessments levied under this section may not be designed to produce more than \$6,000,000 in revenues annually beginning in the 1995-96 fiscal year, more than \$6,600,000 annually beginning in the 1997-98 fiscal year, more than \$6,735,000 beginning in the 1999-00 fiscal year, more than \$7,035,000 in the 2001-02 fiscal year ~~or~~, more than \$6,860,000 beginning in the 2002-03 fiscal year, more than \$8,350,000 beginning in the 2003-04 fiscal year or more than \$8,525,000 beginning in the 2004-05 fiscal year. Assessments collected that exceed \$6,000,000 beginning in the 1995-96 fiscal year, \$6,600,000 beginning in the 1997-98 fiscal year, \$6,735,000 beginning in the 1999-00 fiscal year, \$7,035,000 in fiscal year 2001-02 ~~or~~, \$6,860,000 beginning in the 2002-03 fiscal year, \$8,350,000 beginning in the 2003-04 fiscal year or \$8,525,000 beginning in the 2004-05 fiscal year by a margin of more than 10% must be refunded to those who paid the assessment. Any amount collected 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 budget. Any collected amounts or savings above the allowed reserve must be used to reduce the assessment for the following fiscal year. The board shall determine the assessments prior to May 1st and shall assess each insurance company or association and self-insured employer its pro rata share for expenditures during the fiscal year beginning July 1st. Each self-insured employer shall pay the assessment on or before June 1st. Each insurance company or association shall pay the assessment in accordance with subsection 3.

SUMMARY

This bill increases the maximum allowable assessment to support the activities of the Workers' Compensation Board to \$8,350,000 in fiscal year 2003-04 and \$8,525,000 in fiscal year 2004-05.