

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 575

H.P. 438

House of Representatives, February 11, 2003

An Act To Encourage Workers' Compensation Dispute Resolutions

Reference to the Committee on Labor suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SMITH of Van Buren.
Cosponsored by Senator EDMONDS of Cumberland and
Representatives: HATCH of Skowhegan, HUTTON of Bowdoinham, NORTON of Bangor,
PATRICK of Rumford, WATSON of Bath.

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

4 **Sec. 1. 39-A MRSA §153-A, sub-§8** is enacted to read:

6 **8. Advocate Program Fund.** The Advocate Program Fund,
referred to in this subsection as "the fund," is established as a
nonlapsing dedicated fund within the board. Surcharges collected
pursuant to section 313, subsection 6 and section 318-A must be
deposited in the fund. The board shall use 100% of the resources
in the fund to defray costs associated with the advocate program
established pursuant to this section.

12 **Sec. 2. 39-A MRSA §313, sub-§6** is enacted to read:

14 **6. Surcharge.** If, at the conclusion of mediation, an
agreement is reached under which the employee obtains or retains
more benefits than were offered to the employee by the employer
prior to the initiation of mediation, the board may assess a
surcharge against the employer in the amount of \$500. Funds
collected pursuant to this subsection must be deposited in the
Advocate Program Fund, established under section 153-A,
subsection 8.

24 **Sec. 3. 39-A MRSA §318-A** is enacted to read:

26 **§318-A. Surcharge**

28 If a hearing officer issues a decision under which an
employee obtains or retains more benefits than were offered to
the employee by the employer prior to the initiation of the
hearing, the board may assess a surcharge in the amount of \$1,500
against the employer. Funds collected pursuant to this section
must be deposited in the Advocate Program Fund, established under
section 153-A, subsection 8.

36 **SUMMARY**

38 The purpose of this bill is to encourage resolution of
40 workers' compensation disputes prior to mediation and hearing.
This bill authorizes the Workers' Compensation Board to levy a
42 \$500 surcharge on an employer if, at the conclusion of mediation,
the employee obtains or retains more benefits than the employer
44 had offered prior to mediation. The bill authorizes a \$1,500
surcharge on an employer if, at the conclusion of the hearing,
46 the employee obtains or retains more benefits than the employer
had offered prior to hearing. Under the bill, these surcharges
48 are deposited in a dedicated fund to be used to defray the costs
of the workers' compensation advocate program.