

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 974

S.P. 315

In Senate, February 25, 2003

**An Act To Prohibit the Use of Workers' Compensation Trust Funds
for Political Contributions**

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

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

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator HATCH of Somerset.

Under suspension of the rules, cosponsored by Representative HATCH of Skowhegan and Senators: BROMLEY of Cumberland, CATHCART of Penobscot, President DAGGETT of Kennebec, DAMON of Hancock, DOUGLASS of Androscoggin, EDMONDS of Cumberland, GAGNON of Kennebec, HALL of Lincoln, MARTIN of Aroostook, PENDLETON of Cumberland, ROTUNDO of Androscoggin, STANLEY of Penobscot, STRIMLING of Cumberland, TREAT of Kennebec, Representatives: ADAMS of Portland, BULL of Freeport, BUNKER of Kossuth Township, CANAVAN of Waterville, COWGER of Hallowell, CUMMINGS of Portland, DUDLEY of Portland, DUPLESSIE of Westbrook, FAIRCLOTH of Bangor, GAGNE-FRIEL of Buckfield, GROSE of Woolwich, HUTTON of Bowdoinham, KETTERER of Madison, KOFFMAN of Bar Harbor, LAVERRIERE-BOUCHER of Biddeford, LERMAN of Augusta, LUNDEEN of Mars Hill, McGLOCKLIN of Embden, MCKEE of Wayne, MILLS of Farmington, NORBERT of Portland, O'NEIL of Saco, PARADIS of Frenchville, PATRICK of Rumford, PINEAU of Jay, RICHARDSON of Brunswick, RINES of Wiscasset, SIMPSON of Auburn, SMITH of Monmouth, SMITH of Van Buren, THOMAS of Orono, THOMPSON of China, TWOMEY of Biddeford.

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

4 **Sec. 1. 39-A MRSA §403, sub-§18** is enacted to read:

6 **18. Prohibition against using funds for political**
8 **contributions.** Once deposited into a trust fund created to
10 comply with the requirements of this section, funds and assets
may not be withdrawn for the purpose of making a contribution to
a political candidate or political action committee required to
file a report under Title 21-A, chapter 13, subchapter 2 or 4.

12 **Sec. 2. Bureau of Revenue Services review.** The Department of
14 Administrative and Financial Services, Bureau of Revenue Services
16 shall review the tax filings of self-insurers, group
18 self-insurers and their trust funds to determine whether funds
removed from a trust fund for the purpose of political
contributions prior to the effective date of this Act have been
properly accounted for in tax filings.

20 **SUMMARY**

22 This bill prohibits self-insuring employers and employer
24 groups from using workers' compensation trust funds to make
contributions to political candidates or political action
26 committees. It also requires the Department of Administrative
and Financial Services, Bureau of Revenue Services to review the
28 tax filings related to self-insurer trust funds to determine
whether funds removed from the trusts for the purpose of
30 political contributions prior to the effective date of this bill
were properly accounted for, for example to determine whether a
32 tax deduction was taken when the funds were deposited and, if so,
whether the funds should have been reported as income when
34 removed from the trust fund.