

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 878

S.P. 286

In Senate, February 22, 2005

**An Act To Allow Assignment of Workers' Compensation Payments
to 3rd Parties Providing Income Protection Benefits**

Reference to the Committee on Labor suggested and ordered printed.

A handwritten signature in black ink, reading "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator MAYO of Sagadahoc.
Cosponsored by Representative DUDLEY of Portland and
Senators: BRENNAN of Cumberland, SULLIVAN of York, Representative: PERRY of Calais.

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

4 **Sec. 1. 39-A MRSA §106**, as amended by PL 1995, c. 694, Pt. D, §63 and affected by Pt. E, §2, is further amended to read:

6 **§106. Invalidity of waiver of rights; claims not assignable**

8 No agreement by an employee, unless approved by the board or
10 by the Commissioner of Labor, to waive the employee's rights to
12 compensation under this Act is valid. No claims for compensation
14 under this Act are assignable or subject to attachment or liable
16 in any way for debt, except for the enforcement of a current
18 support obligation or support arrears pursuant to Title 19-A,
chapter 65, subchapter ~~II~~ 2, article 3 or Title 19-A, chapter 65,
subchapter ~~III~~, --~~or~~ 3; for reimbursement of general assistance
pursuant to Title 22, section 4318; or for reimbursement to a 3rd
party for compensation pursuant to a disability income protection
plan or other contractual agreement pursuant to section 107.

20 **Sec. 2. 39-A MRSA §107**, as enacted by PL 1991, c. 885, Pt. A,
22 §8 and affected by §§9 to 11, is amended by adding at the end a
new paragraph to read:

24 If an injured employee has received compensation from a 3rd
26 party based on a preexisting contractual agreement with the 3rd
party, including, but not limited to, a disability income
28 protection plan, the employee may assign the employee's claim for
compensation and benefits under this Act to the 3rd party if the
30 amount of compensation assigned to the 3rd party is no more than
the compensation received by the employee from the 3rd party and
32 if the assignment is in writing and signed by the employee.

34 **SUMMARY**

36 This bill allows an employee who receives payment from an
38 income protection plan or other contractual agreement for an
injury to assign the employee's workers' compensation claim to
40 the 3rd party providing payment under that income protection plan
or contractual agreement. The bill limits the amount of
42 assignment of the claim to the amount of compensation received
under the income protection plan or other contractual agreement,
44 and specifies that the assignment must be in writing and signed
by the employee.