

MAINE STATE LEGISLATURE

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LABOR

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
124TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1008, L.D. 1456, Bill, "An Act To Ensure That Construction Workers Are Protected by Workers' Compensation Insurance"

Amend the bill by inserting after the enacting clause the following:

'Sec. 1. 26 MRSA §1302-A is enacted to read:

§1302-A. Insurance coverage posted on public construction projects

1. List of contractors. At the onset of work on any construction project undertaken by the State, the University of Maine System or the Maine Community College System, the general contractor or designated project construction manager, if any, shall provide to the contracting agency a list of all subcontractors and independent contractors on the job site and a record of the entity to whom that subcontractor or independent contractor is directly contracted and by whom that subcontractor or independent contractor is insured for workers' compensation purposes. The list must be posted on the contracting agency's publicly accessible website and updated as needed.

2. Minimum standards. This section provides minimum disclosure standards regarding subcontractors and does not preclude the contracting agency from setting more rigorous standards for construction work under its jurisdiction.

3. Noncompliance. If the general contractor or designated project construction manager has failed to provide the contracting agency with the information required by subsection 1, that person is subject to forfeiture in accordance with section 1312.

Sec. 2. 26 MRSA §1312, sub-§1, as amended by PL 1999, c. 181, §3, is further amended to read:

1. Violation by contractor or subcontractor. Except as provided in section 1308, subsection 1-A, any contractor or subcontractor who willfully and knowingly violates section 1302-A or sections 1304 to 1313 is subject to a forfeiture of not less than \$250.'

Amend the bill in section 3 in §105-A in subsection 2 by striking out all of paragraph B (page 5, lines 11 to 17 in L.D.) and inserting the following:

1 'B. The person owns and operates an item of equipment weighing more than 7,000
2 pounds and is hired by the hiring agent to operate the equipment on the construction
3 site or to use the equipment to transport materials to or from the site. A person who
4 leases such an item of equipment from a person in the leasing business, other than the
5 hiring agent or an affiliate of the hiring agent, is regarded as the owner for the
6 purposes of this paragraph. A truck with a curb weight greater than 7,000 pounds
7 qualifies as an item of equipment under this paragraph.'

8 Amend the bill in section 3 in §105-A in subsection 4 in the 3rd line (page 5, line 23
9 in L.D.) by striking out the following: "shall refer the insurer" and inserting the
10 following: 'may, but is not required to, refer the insured employer'

11 Amend the bill by inserting after section 4 the following:

12 '**Sec. 5. Report.** By December 15, 2009, the Workers' Compensation Board and
13 the Department of Labor shall report to the Joint Standing Committee on Labor any
14 recommended changes to the provisions established by this Act and the resources
15 required by the board and the department, if any, for implementation of this Act. After
16 receipt and review of the report, the joint standing committee may report out a bill to the
17 Second Regular Session of the 124th Legislature.'

18 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
19 section number to read consecutively.

20 SUMMARY

21 This amendment requires a general contractor on a project undertaken with public
22 funds to provide the public agency with a list of independent contractors and
23 subcontractors on the job site and the names of their workers' compensation insurers. The
24 list must be posted on the contracting agency's publicly accessible website and updated as
25 needed. The amendment establishes penalties for noncompliance with this provision.

26 The amendment provides an exception from the employee presumption for a person
27 who owns or leases equipment and operates that equipment on a construction site. The
28 amendment also requires a report from the Workers' Compensation Board and the
29 Department of Labor, by December 15, 2009, to the Joint Standing Committee on Labor.
30 Upon review of the report, the committee may report out a bill to the Second Regular
31 Session of the 124th Legislature.

32 FISCAL NOTE REQUIRED

33 (See attached)



124th MAINE LEGISLATURE

LD 1456

LR 1131(02)

An Act To Ensure That Construction Workers Are Protected by Workers' Compensation Insurance

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Labor

Fiscal Note Required: Yes

Fiscal Note

Potential current biennium cost increase - General Fund
Potential current biennium cost increase - Other Special Revenue Funds

Correctional and Judicial Impact Statements

Increases the number of civil violations.

The collection of additional fines may also increase General Fund revenue by minor amounts.

Fiscal Detail and Notes

Whether or not additional funding will be required by the Workers' Compensation Board or the Department of Labor to implement the requirements of this legislation will depend on the recommendations made by the Board and the Department to the Joint Standing Committee on Labor and the actions taken by the committee and the Legislature as a whole during the Second Regular Session of the 124th Legislature. Current funding estimates are that the Workers' Compensation Board may need allocations and the ability to raise its assessment cap to fund 6 positions and other expenses at approximately \$400,000 annually. The Department of Labor may require one additional employee and related expenditures funded through the General Fund at around \$60,000 annually.