

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

SAR
ROS
1

L.D. 2176

2 Date: 3/13/24

(Filing No. S-575)

3 MAJORITY

4 LABOR AND HOUSING

5 Reproduced and distributed under the direction of the Secretary of the Senate.

6 STATE OF MAINE

7 SENATE

8 131ST LEGISLATURE

9 SECOND REGULAR SESSION

10 COMMITTEE AMENDMENT "A." to S.P. 927, L.D. 2176, "An Act to Ensure the
11 Workers' Compensation Board's Allocations Are Properly Funded"

12 Amend the bill by incorporating the attached fiscal note.

13 SUMMARY

14 This amendment is the majority report of the committee. This amendment incorporates
a fiscal note.



131st MAINE LEGISLATURE

LD 2176

LR 2996(02)

An Act to Ensure the Workers' Compensation Board's Allocations Are Properly Funded

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-575)

Committee: Labor and Housing

Fiscal Note Required: Yes

Fiscal Note

Removal of assessment cap - Workers' Compensation Board Administrative Fund

Fiscal Detail and Notes

Current law limits the total amount that the Workers' Compensation Board may assess all insurance companies or entities that write workers' compensation policies in the State to \$14.7 million per year. This bill eliminates the assessment cap and instead provides that the board may assess an amount that produces revenue sufficient to fund expenditures allocated by the Legislature and maintain a reserve of up to 1/4 of the board's annual budget.

The fiscal year 2024-25 budgeted allocation for the Workers' Compensation Board is approximately \$14.2 million and the current balance in the reserve account is \$3.3 million. As the reserve can be 1/4 of the board's annual budget, or approximately \$3.6 million, the Workers' Compensation Board may assess \$14.5 million for the 2024-25 fiscal year (\$14.2 million for the allocation + \$0.3 million to bring the reserve to \$3.6 million). This is below the \$14.7 million cap currently in place. Therefore, this bill will not increase assessments for fiscal year 2024-25 above what is authorized in current law. Assessments beyond fiscal year 2024-25 will depend on the budgeted allocations approved by the legislature in future biennia.