

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND NINTH LEGISLATURE

FIRST REGULAR SESSION

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with that state or province setting forth the conditions under which residents of that jurisdiction engaged in interstate commerce operations in and through this State shall be exempt from the registration and licensing laws of this State.

3. **Limitation.** No vehicle shall be operated commercially at a site within this State or used for the transportation of persons, merchandise or materials from one point in this State to another point in this State unless registered in this State or exempt from registration by a written reciprocity agreement as provided in this section, except that a nonresident-owned semitrailer drawn by a Maine registered power unit shall be permitted to transport merchandise in intrastate commerce.

Nothing in this Title shall be construed to permit operation of a nonresident vehicle on a way in this State with weights in excess of or equipped contrary to similar resident vehicles.

Any violation of the provisions of this section shall be a Class E crime.

Effective September 14, 1979

CHAPTER 211

H. P. 605 — L. D. 760

AN ACT to Require the Disclosure of Relevant Information in Workers' Compensation Rate Filing Proceedings.

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

39 MRSA § 22 as last amended by PL 1977, c. 696, § 397, is repealed and the following enacted in its place:

§ 22. Approval of insurance policies and rates by the Superintendent of Insurance

1. **Approval required.** Every insurance company issuing workers' compensation insurance policies covering the payment of compensation and benefits provided for in this Act shall file with the Superintendent of Insurance a copy of the form of the policies and no policy shall be issued until he has approved the form. It shall file its classification of risks and premium rates relating thereto, and any subsequent proposed classification thereof, none of which shall take effect until the Superintendent of Insurance has approved the same as adequate for the risks to which they respectively apply. He may require the filing of specific rates for workers' compensation insurance including classifications of risks, experience or any other rating information from insurance companies

authorized to transact insurance in Maine and may make or cause to be made such investigations as may be deemed necessary to satisfy himself that the rates are correct and proper before giving his approval and permitting the rates to be promulgated for the use of those companies. The Superintendent of Insurance may at any time withdraw his approval of any classification of risks or premium rates relating thereto and approve a revised classification thereof.

2. Contents of filing. In addition to any other information required by the Insurance Code or the Superintendent of Insurance, every workers' compensation rate filing shall indicate for each risk classification the following:

- A. The rate presently applicable to the classification;
- B. The rate proposed for the classification;
- C. Loss experience in this State for each of the 3 most recent years available, including, in each classification, payroll, number of serious workers' compensation cases, number of nonserious cases, the losses including medical expenses incurred with respect to each type of case, loss adjustment expense and the total for all losses and expenses incurred; and
- D. With respect to paragraph C, if loss adjustment expense is determined by percentage factors, rather than actual expense, the filing shall include an explanation of the basis of the factors used.

The information required by this subsection shall be presented in tabular form. The tables shall indicate, with respect to each classification, the relative weight given to experience in this State and to national experience in determining the applicable rate.

3. Burden of proof. Any rating organization or insurer presenting a workers' compensation rate filing shall have the burden of proving, by sworn testimony, that the proposed rates are correct and proper and that they meet the requirements of Title 24-A, chapters 23 and 25.

A. In addition to all other requirements, the rating organization or insurer shall establish, for each of the 3 calendar years immediately preceding that in which the filing is made, the following:

- (1) The gross earned premiums allocable to the coverage of risks in this State;
- (2) The investment of unearned premium reserves and loss reserves allocable to the coverage of risks in this State and the annual income generated by that investment;
- (3) The aggregate annual expenses allocable to the coverage of risks in this State including acquisition and field supervision expense, taxes, licenses and fees other than federal income tax and general expense, each stated

separately. Safety engineering expense and loss control services expense shall be stated separately under general expense beginning with the 1980 calendar year; and

(4) The aggregate annual losses and loss adjustment expense allocable to the coverage of risks in this State. If loss adjustment expense is determined by percentage factors, rather than actual expense, there shall be stated an explanation of the basis of the factors used.

B. The rating organization or insurer shall also establish:

(1) That any profit factor used in the filing will produce only a just and reasonable return on the investment allocable to the coverage of risks in this State; and

(2) That the loss reserves, including the discount rates applied to those reserves, are reasonable.

No workers' compensation rate filing shall be approved in the absence of evidence that the information or data relied upon is accurate.

4. Public record. Any rate filing submitted to the Bureau of Insurance pursuant to this section shall become a public record and shall be available for public review and inspection.

5. Information for parties and intervenors. Any party or intervenor may make written application to the Superintendent of Insurance for an order that any rating organization or insurer which has presented a workers' compensation filing produce any information relevant to whether the filing and rates meet the requirements of this Title and Title 24-A, except for information relating to a particular claim. If the rating organization or insurer fails to furnish the information within the time prescribed by the superintendent, the party or intervenor making the request may make written application to the Superintendent of Insurance for an order disapproving the filing. If, after hearing, the superintendent determines that the failure to furnish the information was without good cause, he shall issue an order for disapproval of the filing.

6. Public hearing. The superintendent shall hold a public hearing, as provided in Title 24-A, sections 229 to 235, on each filing of rates for workers' compensation insurance. The public hearing shall be conducted within 60 days of the receipt of the rate filing by the Bureau of Insurance. The superintendent shall approve or disapprove such filing and state his findings in a written order issued within 90 days from the receipt of such filing by the Bureau of Insurance. If the superintendent denies a filing, any further filing shall be deemed to be a new filing subject to this public hearing requirement.

7. Superintendent's review of documents. Prior to approving a rate filing, the

superintendent shall review the annual operating expenses allocable to the coverage of risks in the State as provided pursuant to subsection 3, paragraph A, subparagraph (3), and the annual insurance expense exhibits filed by each carrier with the bureau. The superintendent shall make a finding as to whether the expense allowances in the filing are reasonably related to the aggregate amount of operating expenses reported by all carriers and, if he determines that they are not, then he shall not approve the filing.

Effective September 14, 1979

CHAPTER 212

H. P. 698 — L. D. 909

AN ACT to Require that Certain Information be Provided by Insulation Installers.

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

10 MRSA § 1485 is enacted to read:

§ 1485. Development of insulation fact sheet

The State Office of Energy Resources shall prepare, and shall keep current, an informational pamphlet concerning insulation materials being used in the State. The pamphlet shall discuss the characteristics of these insulation materials and the positive and negative effects which may result following installation of these materials. The pamphlet shall also include, but shall not be limited to:

1. **Moisture.** Information concerning moisture travel through buildings and the need for proper ventilation or the need for vapor barriers following installation of insulation;
2. **Safety.** Information concerning safety factors, including the flammability and toxicity of various types of insulation;
3. **Installation.** Guidelines for proper installation of insulation materials to avoid problems of moisture and to avoid any safety hazards;
4. **Installation contracts.** A narrative description of the requirements of this chapter and its provisions; and
5. **Other information.** Such other information as the State Office of Energy Resources shall deem necessary or appropriate.

The State Office of Energy Resources shall furnish this pamphlet, upon request,