

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE
AS PASSED BY THE

ONE HUNDRED AND TENTH LEGISLATURE

SECOND SPECIAL SESSION

September 25, 1981

AND

THIRD SPECIAL SESSION

December 9, 1981

AND

SECOND REGULAR SESSION

January 6, 1982 to April 13, 1982

AND AT THE

FOURTH SPECIAL SESSION

April 28, 1982 to April 29, 1982

AND AT THE

FIFTH SPECIAL SESSION

May 13, 1982

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH IN
ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 164, SUBSECTION 6.

J.S. McCarthy Co.
Augusta, Maine
1981

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND AND THIRD SPECIAL SESSIONS

and

SECOND REGULAR SESSION

and

FOURTH AND FIFTH SPECIAL SESSIONS

of the

ONE HUNDRED AND TENTH LEGISLATURE

1981

CHAPTER 636

H.P. 2177 - L.D. 2069

AN ACT to Establish the Discount Rate for the Tree Growth Tax Law.

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

36 MRSA §576-B, 1st sentence, as enacted by PL 1981, c. 517, §8, is amended to read:

The percentage factor by which the growth rates set by the State Tax Assessor pursuant to section 576 shall be reduced to reflect the growth which can be extracted on a sustained basis shall be 10% for the tax year 1982 and for the tax year 1983, and thereafter shall annually be set by the Legislature in the year preceding the tax year in which the factor will apply.

Effective July 13, 1982.

CHAPTER 637

H.P. 2223 - L.D. 2082

AN ACT to Amend the Law Establishing the Maine Self-Insurance Guarantee Association.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, Public Law 1981, chapter 484, inter alia, created the Maine Self-Insurance Guarantee Association requiring the filing by self-insurers of certain information with the Superintendent of Insurance by certain specified times; and

Whereas, it will not be possible to make some filings

within the statutory deadlines; and

Whereas, it is necessary to define more clearly the liabilities of the Maine Self-Insurance Guarantee Association; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 39 MRSA §23, sub-§5, ¶A, as last amended by PL 1979, c. 577, §9, is further amended to read:

A. "Self-insurance," as used herein, shall be deemed to be the system of securing compensation as provided in ~~subsection-4-~~ subsections 2 to 11.

Sec. 2. 39 MRSA §23, sub-§11 is enacted to read:

11. Registration of self-insurers. Registration of self-insurers shall be governed as follows.

A. On or before August 1, 1982, all employers claiming the status of self-insurer as defined by this Title on that date shall apply for registration with the Bureau of Insurance on forms prescribed by the superintendent. The application shall contain a statement identifying the employer as a self-insurer, which includes the legal organization and name of each self-insuring employer. The superintendent may require the submission of any further information he deems necessary in order to determine whether a self-insurer has been approved pursuant to this section or is authorized to act as a self-insurer pursuant to section 25. In the event that an employer is unable to establish that it has been approved to act as a self-insurer by either the superintendent or the Workers' Compensation Commission, or is authorized to act as such pursuant to section 25, the superintendent shall deny the application for registration. Upon denial of registration, an employer may make application for approval to act as a self-insurer in accordance with all requirements of this Act and the regulations promulgated pursuant to this Act.

B. On January 1st of each year, the superintendent

shall promulgate an official list of self-insurers which are approved and registered as of that date and the list of self-insurers shall be forwarded to the Maine Self-Insurance Guarantee Association. The superintendent shall add to the list at any time during the year the name or names of any self-insurer or self-insurers which he has approved and registered subsequent to the promulgation of the list and shall similarly delete the name or names of any self-insurer or self-insurers whose authority to self-insure has been terminated. Additions to or deletions from the official list of self-insurers shall be forwarded to the Maine Self-Insurance Guarantee Association when made. Failure to become registered pursuant to this subsection shall result in the automatic termination of an employer's authority to self-insure under this Act.

Sec. 3. 39 MRSA §23-A, sub-§2, ¶C is enacted to read:

C. In determining the membership of the association pursuant to paragraphs A and B for any date after January 1, 1983, no employer claiming self-insurer status may be deemed to be a member of the association on any date after January 1, 1983, unless that employer is at that time registered as a self-insurer by the superintendent pursuant to section 23, subsection 11.

Sec. 4. 39 MRSA §23-A, sub-§3, 3rd sentence, as enacted by PL 1981, c. 484, §8, is amended to read:

Vacancies on the board shall be filled for the remaining period of the term in the same manner as initial appointments, except that vacancies may be filled by majority vote of the remaining directors, subject to the approval of the superintendent, until the next annual meeting of the members.

Sec. 5. 39 MRSA §23-A, sub-§4, ¶A, sub-¶(1), last sentence, as enacted by PL 1981, c. 484, §8, is amended to read:

These reports shall be due on or before February 15th July 15th following the close of that calendar year, except that this deadline may be extended by the superintendent for up to 3 additional months for good cause shown;

Sec. 6. 39 MRSA §23-A, sub-§4, ¶A, sub-¶(2), div. (a) and (b), as enacted by PL 1981, c. 484, §8, are amended to read:

(a) Each individual self-insurer shall be

annually assessed an amount equal to 1% of the annual standard premium which would have been paid by that individual self-insurer during the prior calendar year; payment to the association shall be made no later than April 15th September 15th following the close of that calendar year. Where any such assessment is paid based in whole or in part upon estimates of annual standard premium for the prior calendar year, there shall be made in the next year's assessment an adjustment of the assessment of such prior year based on actual audited annual standard premium. Regardless of the size of the fund referred to in subparagraph (3), during its first 12 months of membership, no individual self-insurer may discount or reduce this 1% assessment;

(b) Each group self-insurer shall be annually assessed an amount equal to .1% of the total annual standard premium which would have been paid by all the members of that group self-insurer during the prior calendar year; payment to the association shall be no later than April 15th September 15th following the close of that calendar year. Where any such assessment is paid based in whole or in part upon estimates of annual standard premium for the prior calendar year, there shall be made in the next year's assessment an adjustment of the assessment of such prior year based on actual audited annual standard premium. Regardless of the size of the fund referred to in subparagraph (3), during its first 12 months of membership, no group self-insurer may discount or reduce this .1% assessment.

Sec. 7. 39 MRSA §25 is repealed and the following enacted in its place:

§25. Approval of benefit system in use January 1, 1915

1. Benefit system. Subject to the approval of the Superintendent of Insurance, any employer may continue with his employees, in lieu of the compensation, benefits and insurance provided by this Act, the system thereof which was used by such employer on January 1, 1915. No such substitute system may be approved unless it confers benefits upon injured employees at least equivalent to the benefits provided by this Act, nor if it requires contributions from the

employees, unless it confers benefits in addition to those provided under this Act at least commensurate with such contributions. Such substitute system may be terminated by the superintendent with the advice of the commission on reasonable notice and hearing to the interested parties, if it appears that the substitute system is not fairly administered, or if its operation discloses latent defects threatening its solvency, or if for any substantial reason it fails to accomplish the purposes of this Act. Notwithstanding Title 5, section 10051, the superintendent is expressly granted the authority to revoke or suspend the authority of an employer to continue with a substitute system of benefits under this section after a hearing held in accordance with Title 5, chapter 375, subchapter IV, and Title 24-A, chapter 3. An employer who is authorized to substitute a plan under sections 21 to 27 shall give his employees notice thereof in a form to be prescribed by the commission, and a statement of the plan approved shall be filed with the superintendent.

2. Substitute benefit plan. The authority of any employer to continue a substitute benefit plan pursuant to this section shall, without exception, terminate automatically on June 30, 1983. On or before that date, each such employer shall secure the compensation and other benefits required by this Act in one or more of the ways prescribed by section 23 and in so doing shall be subject to all applicable requirements imposed by statute and any regulations promulgated pursuant thereto. Failure to comply with the requirements of this subsection shall constitute failure to secure payment of compensation provided for by this Act within the meaning of section 104-A and shall subject the employer to the penalties prescribed by that section.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective April 6, 1982.

CHAPTER 638

S.P. 787 - L.D. 1852

AN ACT to Amend the Maine Consumer Credit
Code Regarding Educational Loans and
Cosigner Notices.