

MAINE STATE LEGISLATURE

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STATE OF MAINE
113TH LEGISLATURE
SECOND REGULAR SESSION



BILL SUMMARY
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE

MAY 1988

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**ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST & SECOND SPECIAL SESSIONS
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE
BILL SUMMARIES
MAY 1988**

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are indicated as follows::

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Secretaries: Charlene Brann, Janet Jean, Earl Knox, Valarie Parlin; Research Assistant Hartley Palleschi. Finally, Secretary Lorette Knox, Legal Assistant Carolyn Chick, and Research Assistant Robert Dunn had special responsibilities in the preparation of the overall document.

Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.

LD An Act Concerning the Workers' Compensation Rate-setting
642 Authority of the Superintendent of Insurance LV/WD

<u>SPONSOR(S)</u>	<u>COMMITTEE</u>	<u>REPORT</u>	<u>AMENDMENTS ADOPTED</u>
FOSS	LV/WD		
ARMSTRONG			
GARLAND			
COLLINS			

SUMMARY

This bill removes provisions which set maximum rates for workers' compensation and returns the entire rate-making process to the Superintendent of Insurance. The standards which the superintendent must use in approving or disapproving rates remain in the law.

This bill also removes the requirement that the superintendent report to the Legislature by May 1, 1987, regarding savings realized by other amendments which related to the purpose of the Maine Revised Statutes, Title 24-A, section 2355.

This bill was carried-over from the 1st Regular Session of the 113th Legislature. The bill was given leave-to-withdraw during the 2nd Regular Session of the 113th Legislature.

LD An Act to Amend the Workers' Compensation Rating Laws
724 LV/WD

<u>SPONSOR(S)</u>	<u>COMMITTEE</u>	<u>REPORT</u>	<u>AMENDMENTS ADOPTED</u>
ARMSTRONG	LV/WD		

SUMMARY

This bill repeals the current Workers' Compensation Competitive Rating Act and enacts a residual market rating law which is similar to the 1979 law. The bill allows a rating bureau to file rates on behalf of its members. It retains the 2-tier residual market mechanism and the function of the Public Advocate from current law. Rate filings are subject to approval by the Superintendent of Insurance using the standards "just and reasonable" and "not excessive, inadequate, or unfairly discriminatory".

This bill was carried-over from the 1st Regular Session of the 113th Legislature. The bill was given leave-to-withdraw during the 2nd Regular Session of the 113th Legislature.