

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Labor*

July 2006

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Sen. Philip L. Bartlett, II
Sen. Lois A. Snowe-Mello*

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Maine State Legislature



Office of Policy and Legal Analysis Office of Fiscal and Program Review

122nd Maine Legislature Second Regular Session

Summary of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla/billsumm.htm).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CON RES XXX.....	Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE.....	Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES.....	House & Senate disagree; bill died
DIED IN CONCURRENCE.....	One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT.....	Action incomplete when session ended; bill died
EMERGENCY.....	Enacted law takes effect sooner than 90 days
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE.....	Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE.....	Bill failed to get majority vote
FAILED MANDATE ENACTMENT.....	Bill imposing local mandate failed to get 2/3 vote
NOT PROPERLY BEFORE THE BODY.....	Ruled out of order by the presiding officers; bill died
INDEF PP.....	Bill Indefinitely Postponed
ONTP.....	Ought Not To Pass report accepted
OTP-ND.....	Committee report Ought To Pass In New Draft
P&S XXX.....	Chapter # of enacted Private & Special Law
PASSED.....	Joint Order passed in both bodies
PUBLIC XXX.....	Chapter # of enacted Public Law
RESOLVE XXX.....	Chapter # of finally passed Resolve
UNSIGNED (Pocket Veto).....	Bill held by Governor
VETO SUSTAINED.....	Legislature failed to override Governor's Veto

Please note that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is August 23, 2006.

Joint Standing Committee on Labor

LD 2068

An Act Regarding the Maine Insurance Guaranty Association

PUBLIC 603

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SMITH W STRIMLING	OTP-AM MAJ ONTP MIN	H-941 S-584 STRIMLING

LD 2068 proposed to make the Maine Insurance Guaranty Association subject to audit, enforcement and monitoring by the Workers' Compensation Board with respect to workers' compensation claims. Under the bill the association would be liable for the payment of any compensation, interest, penalty or other obligation determined to be due by the Workers' Compensation Board. The bill proposed to include interest and penalties in the claims the association is obligated to pay and proposed to add the association to those entities for which the Workers' Compensation Board has auditing and enforcement responsibility. LD 2068 also would require audits of the association to consider when the association obtained the records of an insolvent insurer. Finally, the bill proposed to make the association subject to penalties not to exceed \$10,000 upon a finding by the board that the association has engaged in a pattern of questionable claims-handling techniques or repeated unreasonably-contested claims.

Committee Amendment "A" (H-941), the majority report of the Joint Standing Committee on Labor, proposed to clarify that the Maine Insurance Guaranty Association may not be assessed penalties for the acts or omissions of insolvent insurers.

Senate Amendment "A" to Committee Amendment "A" (S-584) proposed to strike the language that would allow the Workers' Compensation Board to assess civil penalties not to exceed \$10,000 on the Maine Insurance Guaranty Association for engaging in a pattern of questionable claims-handling techniques or repeated unreasonably-contested claims.

House Amendment "A" to Committee Amendment "A" (H-972) proposed to strike the language that would allow the Workers' Compensation Board to assess civil penalties not to exceed \$10,000 on the Maine Insurance Guaranty Association for engaging in a pattern of questionable claims-handling techniques or repeated unreasonably-contested claims. This amendment was not adopted.

Enacted law summary

Public Law 2005, chapter 603 makes the Maine Insurance Guaranty Association subject to audit, enforcement and monitoring by the Workers' Compensation Board with respect to workers' compensation claims. The Association is liable for the payment of any compensation, interest, penalty or other obligation determined to be due by the Workers' Compensation Board. The law also includes interest and penalties in the claims the Association is obligated to pay and adds the Association to those entities for which the Workers' Compensation Board has auditing and enforcement responsibility. Finally, the law requires that the audits of the Association consider when the Association obtained the records of an insolvent insurer.