

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH LEGISLATURE
FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON INSURANCE AND
FINANCIAL SERVICES**

October 2018

STAFF:

COLLEEN MCCARTHY REID, LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670
<http://legislature.maine.gov/opla/>

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STATE OF MAINE

128TH LEGISLATURE

FIRST SPECIAL, SECOND REGULAR AND SECOND SPECIAL SESSIONS



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contain summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Special, Second Regular and Second Special Sessions of the 128th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

CARRIED OVER..... carried over to a subsequent session of the Legislature
CON RES XXX..... chapter # of constitutional resolution passed by both houses
CONF CMTE UNABLE TO AGREE..... Committee of Conference unable to agree; legislation died
DIED BETWEEN HOUSES..... House & Senate disagreed; legislation died
DIED IN CONCURRENCE..... defeated in each house, but on different motions; legislation died
DIED ON ADJOURNMENT..... action incomplete when session ended; legislation died
EMERGENCY..... enacted law takes effect sooner than 90 days after session adjournment
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE..... emergency failed to receive required 2/3 vote
FAILED, ENACTMENT or FINAL PASSAGE..... failed to receive final majority vote
FAILED, MANDATE ENACTMENT..... legislation proposing local mandate failed required 2/3 vote
HELD BY GOVERNOR..... Governor has not signed; final disposition to be determined at subsequent session
LEAVE TO WITHDRAW..... sponsor's request to withdraw legislation granted
NOT PROPERLY BEFORE THE BODY..... ruled out of order by the presiding officer; legislation died
INDEF PP..... indefinitely postponed; legislation died
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X... ought-not-to-pass report accepted; legislation died
P&S XXX..... chapter # of enacted private & special law
PUBLIC XXX..... chapter # of enacted public law
RESOLVE XXX..... chapter # of finally passed resolve
VETO SUSTAINED..... Legislature failed to override Governor's veto

The effective dates for non-emergency legislation enacted in the First Special, Second Regular or Second Special Sessions of the 128th Legislature are: Monday, February 5, 2018; Wednesday, August 1, 2018; and Thursday, December 13, 2018, respectively. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

Joint Standing Committee on Insurance and Financial Services

establish the terms and conditions of the program. Under federal law, a state may establish ABLE Act savings accounts only with the authorization of the state.

Public Law 2017, chapter 394 was enacted as an emergency measure effective April 18, 2018.

LD 1888

An Act To Amend the Workers' Compensation Laws Governing Affiliated Self-insurance Groups

PUBLIC 401

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VOLK A	OTP ONTP	

This bill amends the workers' compensation laws governing self-insurers. It requires a group self-insurer that provides an irrevocable standby letter of credit as security to file with the Superintendent of Insurance a letter of credit and other agreements or documents relating to the employer's reimbursement obligations.

The bill amends the workers' compensation laws governing the participation of employers in a group self-insurance plan. It requires a group self-insurer to maintain an actuarially determined fully funded trust as security for self-insurance, except that the Superintendent of Insurance may authorize an affiliated group self-insurer meeting certain requirements to secure the liabilities of each of its members. It requires that if the status of a group self-insurer is terminated the required security remains subject to the control of the Workers' Compensation Board until claims against the group self-insurer have been discharged.

The bill removes a requirement that reinsurance contracts name the self-insurer as a coinsured with the Maine Self-Insurance Guarantee Association. It also authorizes a member of a group self-insurer and a successor employer of a member to apply for continuing membership in the group self-insurer.

Enacted Law Summary

Public Law 2017, chapter 401 amends the workers' compensation laws governing self-insurers. It requires a group self-insurer that provides an irrevocable standby letter of credit as security to file with the Superintendent of Insurance a letter of credit and other agreements or documents relating to the employer's reimbursement obligations.

The law amends the workers' compensation laws governing the participation of employers in a group self-insurance plan. It requires a group self-insurer to maintain an actuarially determined fully funded trust as security for self-insurance, except that the Superintendent of Insurance may authorize an affiliated group self-insurer meeting certain requirements to secure the liabilities of each of its members. It requires that if the status of a group self-insurer is terminated the required security remains subject to the control of the Workers' Compensation Board until claims against the group self-insurer have been discharged.

The law also removes a requirement that reinsurance contracts name the self-insurer as a coinsured with the Maine Self-Insurance Guarantee Association. It also authorizes a member of a group self-insurer and a successor employer of a member to apply for continuing membership in the group self-insurer.