



# 131st MAINE LEGISLATURE

## SECOND REGULAR SESSION-2024

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Legislative Document

No. 2176

S.P. 927

In Senate, January 23, 2024

### **An Act to Ensure the Workers' Compensation Board's Allocations Are Properly Funded**

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Reported by Senator TIPPING of Penobscot for the Workers' Compensation Board pursuant to the Maine Revised Statutes, Title 39-A, section 152, subsection 11.

Reference to the Committee on Labor and Housing suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

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

2 **Sec. 1. 39-A MRSA §154, sub-§6, ¶A,** as amended by PL 2023, c. 17, Pt. R, §1,  
3 is further amended to read:

4 A. The assessments levied under this section may not be designed to produce more  
5 than \$14,700,000 beginning in the 2023-24 fiscal year revenue than is sufficient for  
6 expenditures allocated pursuant to subsection 2 and to maintain a reserve of up to 1/4  
7 of the board's annual budget. Assessments collected that exceed ~~the~~ this limit by a  
8 margin of more than 10% must be used to reduce the assessment that is paid by insured  
9 employers pursuant to subsection 3. Any amount collected above the board's allocated  
10 budget and within the 10% margin must be used to create a reserve of up to 1/4 of the  
11 board's annual budget.

12 **SUMMARY**

13 This bill amends the provision of law governing the Workers' Compensation Board  
14 Administrative Fund to ensure the board will be able to fund expenditures allocated by the  
15 Legislature and maintain its reserve. The bill removes current statutory language that  
16 places a specific dollar amount on the maximum value of assessments that may be levied  
17 from insured employers and replaces it with language providing that assessments levied  
18 may not be designed to produce more revenue than is sufficient for the Workers'  
19 Compensation Board to fund the expenditures allocated by the Legislature and to maintain  
20 a reserve of up to 1/4 of the board's annual budget. The bill retains language from current  
21 law that requires that any funds collected above the maximum assessment that exceed a  
22 margin of 10% be used to reduce the assessments paid by insured employers.