

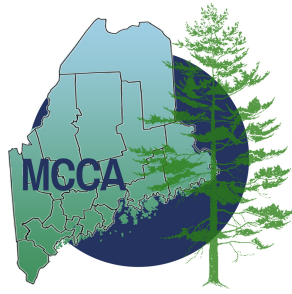
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LD 1430, An Act Regarding the Waiting Period for Compensation for Incapacity To Work under the Maine Workers' Compensation Act of 1992

April 30, 2021

Chair Hickman, Chair Sylvester, and members of the Joint Standing Committee on Labor and Housing, my name is Stephen Gorden and in addition to serving as chair of the board of commissioners for Cumberland County, I am writing today in my role as board president of the Maine County Commissioners Association. We appreciate the opportunity to provide testimony to the Committee neither for nor against LD 1430.

About MCCA. Briefly, the Maine County Commissioners Association was founded in 1890 to assist Maine's county government in providing vital services to Maine citizens in a responsive, efficient, and credible manner. The Association is based in Augusta and currently represents 15 of Maine's 16 counties and is governed by a board with representation from each participating county.

Our position on LD 1430. Maine's current workers compensation system was developed in 1992 following a crisis in the prior system that led to spiraling costs, business departures, and ultimately a shutdown of state government. The current system was developed by a Blue Ribbon Commission through careful compromise in order to provide reasonable balance between the needs of employers and employees. That system has stayed largely intact for the past 30 years, and changes have been limited and based on carefully developed compromise. This basic approach to the system has been important to maintaining the balance developed thirty years ago, and avoiding a new crisis.

The proposal in LD 1430 focuses on the duty of employers to provide compensation for incapacity when an employee is temporarily incapacitated. Under the current rule, there is no compensation for an employee for the first 7 days of incapacity. However, where an employee is incapacitated for a longer time period, defined in the statute as 14 days or more, the employee is entitled to compensation for the incapacity dating back to the start of the incapacity. Current law also includes one exception: firefighters are entitled to compensation for incapacity starting from the date of incapacity regardless of how long they are incapacitated. This limited exception adds costs to the system and employers, but reflects the unique employment of firefighters in terms of their job to engage in physical activities in dangerous circumstances.

LD 1430 would expand the "firefighter" exception to other categories of employees, including "corrections officers" employed in county jails. MCCA very much values these important employees and the job they do for the public. Their jobs are difficult, and directly related to public safety. If the workers compensation system is

amended to include corrections officers within the “firefighter” exception, we would expect to see more financial benefits for workers, and more costs to the system and county taxpayers.

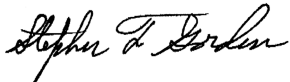
As the Committee decides whether to pass this bill, we do ask the Committee to be mindful of the long-standing, careful balance within the workers compensation system, and to recognize that every change risks moving the system out of balance, one way or the other. And in the case of this proposal, the proposed change moves the balance in a way that will lead to more costs for county taxpayers.

Even more problematic, uniquely among Maine government entities, Maine’s counties cannot increase their jail-related costs above a fixed level set by statute. So, for those counties whose jail expenditures are at the cap, any new expenditure must come from the State, or from an off-setting reduction in other services – like medical care for inmates, security infrastructure, or other important aspects of operating a jail.

Mandate Preamble. For the reasons noted above, to the extent this bill imposes new costs on county government, it would constitute a “mandate” under the Maine Constitution.

Conclusion. We appreciate the opportunity to provide information to the Committee, and if we can assist further in this regard, please do not hesitate to let us know.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen Gorden".

Stephen Gorden
President

cc: Commissioner Brian Hobart, Chair, MCCA Legislative Committee
James I. Cohen, Verrill Dana, LLP, MCCA Legislative Counsel