APPROVEDCHAPTERJUNE 14, 2013257BY GOVERNORPUBLIC LAW

## STATE OF MAINE

# IN THE YEAR OF OUR LORD

## TWO THOUSAND AND THIRTEEN

# H.P. 715 - L.D. 1017

## An Act Relating to Employee Leasing Company Registration

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

Sec. 1. 32 MRSA §14051, sub-§5, as enacted by PL 1991, c. 468, §4, is amended to read:

**5. Superintendent.** "Superintendent" means the Superintendent of <u>Insurance</u> <u>Consumer Credit Protection</u>.

Sec. 2. 32 MRSA §14054, sub-§2, as enacted by PL 1991, c. 468, §4, is repealed and the following enacted in its place:

**2. Treatment of fees.** Fees provided for by this chapter are appropriated for the use of the Bureau of Consumer Credit Protection. Any balance of these funds does not lapse but must be carried forward to be expended for the same purpose in the following year.

**Sec. 3. 32 MRSA §14055, sub-§1, ¶B,** as amended by PL 1991, c. 885, Pt. E, §42 and affected by §47, is further amended to read:

B. The superintendent <u>Superintendent of Insurance</u> shall adopt rules governing the provision of workers' compensation insurance as required by Title 39-A, chapter 9 for workers provided by an employee leasing company to any client company. These rules must be consistent with subsection 2 and reflect consideration of the needs and operational efficiencies of employee leasing companies and the costs to the workers' compensation system. If either the employee leasing company or the client company has secured the payment of compensation in conformity with former Title 39, chapter 1 or Title 39-A, chapter 9, the immunity from liability described in that chapter extends to and is binding on the client company, the employee leasing company, all employees leased to any client company. An employee leasing company is not responsible for securing the payment of compensation in conformity with Title 39-A nor deprived of the defenses listed in Title 39-A, section 103 with respect to those persons for whom the provision of benefits is not required under Title 39-A in the absence of an employee leasing arrangement.

**Sec. 4. 32 MRSA §14055, sub-§2,** ¶**A**, as amended by PL 1991, c. 885, Pt. E, §43 and affected by §47, is further amended to read:

A. Under rules adopted pursuant to subsection 1, paragraph B, the superintendent <u>Superintendent of Insurance</u> may provide a determination of the circumstances and conditions, if any, under which an employee leasing company may be the policyholder of a workers' compensation insurance policy providing coverage to employees leased to client companies. Additionally or alternatively, the superintendent Superintendent of Insurance may require by rule that:

(1) The employee leasing company purchase separate policies through the Maine Employers' Mutual Insurance Company, established pursuant to Title 24-A, section 3703, for client companies subject to Title 39-A; and

(2) The policies be assigned to one servicing carrier and, to the extent practical, administered on a unified basis. The superintendent Superintendent of Insurance also may provide by rule that the employee leasing company or the President of the Maine Employers' Mutual Insurance Company request from the superintendent Superintendent of Insurance a waiver of a rule adopted pursuant to this subparagraph if it is impractical for one servicing carrier to service all the client companies of an employee leasing company.

Sec. 5. 32 MRSA §14055, sub-§5, as amended by PL 1997, c. 29, §2, is further amended to read:

**5. Disclosure.** The employee leasing company shall disclose to client companies services to be rendered, including costs, and the respective rights and obligations of the parties prior to entering into or receiving a leasing arrangement. This disclosure must include a statement that the client company may take complaints to the Bureau of Insurance Consumer Credit Protection.

Sec. 6. 32 MRSA §14059 is enacted to read:

#### <u>§14059. Rules</u>

The superintendent may adopt rules to administer the provisions of this chapter for the protection of client companies, including rules regarding the ability of the Bureau of Consumer Credit Protection to receive and respond to complaints. Rules adopted pursuant to this section are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.