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Legislative Document

No. 1515

S.P. 477

In Senate, April 26, 2011

**An Act To Clarify the Workers' Compensation Insurance
Notification Process for Public Construction Projects**

Submitted by the Department of Administrative and Financial Services pursuant to Joint Rule 204.

Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

Joseph G. Carleton Jr.

JOSEPH G. CARLETON, JR.
Secretary of the Senate

Presented by Senator RECTOR of Knox.

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

2 **Sec. 1. 26 MRSA §1302-A**, as enacted by PL 2009, c. 452, §1, is repealed.

3 **Sec. 2. 26 MRSA §1312, sub-§1**, as amended by PL 2009, c. 452, §2, is further
4 amended to read:

5 **1. Violation by contractor or subcontractor.** Except as provided in section 1308,
6 subsection 1-A, any contractor or subcontractor who willfully and knowingly violates
7 ~~section 1302-A~~ or sections 1304 to 1313 is subject to a forfeiture of not less than \$250.

8 **Sec. 3. 39-A MRSA §105-A, sub-§6** is enacted to read:

9 **6. Insurance coverage information for public construction projects.** Insurance
10 coverage information regarding construction subcontractors and independent contractors
11 is controlled by this subsection.

12 A. At the onset of work on any construction project undertaken by the State, the
13 University of Maine System or the Maine Community College System, the general
14 contractor or designated project construction manager, if any, shall provide to the
15 board a list of all construction subcontractors and independent contractors on the job
16 site and a record of the entity to whom that construction subcontractor or independent
17 contractor is directly contracted and by whom that construction subcontractor or
18 independent contractor is insured for workers' compensation purposes. The list must
19 be posted on the board's publicly accessible website and updated as needed.

20 B. The board and the Department of Administrative and Financial Services, Bureau
21 of General Services shall cooperate and provide notice to each other regarding the
22 letting of state-funded construction projects and any stop-work order, debarment or
23 other action as either may take or issue.

24 C. This subsection provides minimum disclosure standards regarding construction
25 subcontractors and independent contractors and does not preclude the contracting
26 agency from setting more rigorous standards for construction work under its
27 jurisdiction.

28 D. If the general contractor or designated project construction manager fails to
29 provide the board with the information required by paragraph A, that person is
30 subject to a fine of not less than \$250.

31 **SUMMARY**

32 This bill clarifies and simplifies the reporting requirement for general contractors for
33 public construction projects by moving the requirement from the various state agencies to
34 a central reporting site at the Workers' Compensation Board. It moves the requirement
35 from the Maine Revised Statutes, Title 26 to Title 39-A and complements the current
36 reporting requirement to the Workers' Compensation Board.