

# LAWS

### OF THE

## **STATE OF MAINE**

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

FIRST REGULAR SESSION December 6, 2000 to June 22, 2001

THE GENERAL EFFECTIVE DATE FOR FIRST REGULAR SESSION NON-EMERGENCY LAWS IS SEPTEMBER 21, 2001

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A, SUBSECTION 4.

> J.S. McCarthy Company Augusta, Maine 2001

student. A scholarship grant recipient who remains eligible shall <u>must</u> be considered in the succeeding award year.

2. Period of study. An eligible <u>full- or part-time</u> student may receive a scholarship grant for a period not to exceed 8 semesters or its equivalent for a full-time student and 16 semesters or 120 credit hours, whichever is completed first, for a part time student. The period may be extended for not more than one additional academic year, if: 150% of the published length of the program in which the student is enrolled at the institution that the student is attending, measured in academic years, academic terms, credit hours attempted or clock hours completed, as appropriate.

A. The student is pursuing a course of study leading to a first degree in a program of study which is designed by the institution offering it to extend over 5 academic years; or

B. The student will be unable to complete a course of study within 4 academic years because of a requirement of the institution that the student enroll in a noncredit remedial course of study. "Noncredit remedial course of study" means a course of study for which no credit is given toward an academic degree and which is designed to increase the ability of the student to engage in an undergraduate course of study leading to that degree.

Sec. 10. 20-A MRSA \$11617, sub-\$1, as enacted by PL 1989, c. 559, \$10, is amended to read:

**1. Responsibility of authority.** The authority shall administer the scholarship program Maine State Grant Program, including establishing and maintaining fund accounting and control procedures as required by state law or as necessary for the State to be eligible to receive federal assistance under the Federal Student Assistance Program, Higher Education Act of 1965, Title IV, Part A, Subpart 3, as amended, United States Code, Title 20, Sections 1070c-1, 1070c-2 and 1070c-3.

Sec. 11. 20-A MRSA §§11619 and 11620 are enacted to read:

#### <u>§11619. Reduction of institutional or other grant</u> aid

A grant received by a student under this chapter may be applied to reduce institutional or other grant aid to that student only if that institutional or grant aid is subsequently granted to a student with demonstrated financial need. This section is repealed July 1, 2004.

#### <u>§11620. Reduction of institutional or other grant</u> <u>aid</u>

A grant received by a student under this chapter may not be applied to reduce institutional or other grant aid to that student. This section takes effect July 1, 2004.

**Sec. 12. 20-A MRSA §11631,** as enacted by PL 1993, c. 465, §1, is amended to read:

#### §11631. University of Maine System Scholarship Fund

The University of Maine System Scholarship Fund is created and established as a nonlapsing fund under the jurisdiction and control of the Finance Authority of Maine. All revenues credited to this fund must be distributed as need-based scholarships for students attending the University of Maine System. These scholarships may only be awarded to those students who are residents of the State, who pay tuition and who otherwise meet the eligibility requirements for a scholarship under the student incentive scholarship program grant under the Maine State Grant Program under chapter 419-A. The Finance Authority of Maine shall award the scholarships and adopt rules for determining eligibility, terms and conditions for the scholarships. The fund may not be used for the costs of administering the scholarships.

**Sec. 13. Sunset review.** Authorization for the provision in the Maine Revised Statutes, Title 20-A, section 11619 expires July 1, 2004. In its annual report required by Title 10, section 974, the Finance Authority of Maine shall review findings related to that provision of this Act that provides that grants awarded may be applied to reduce institutional or other grant aid only if that aid is subsequently awarded to a student with demonstrated financial need and provide recommendations to the Governor and the Legislature for fiscal year 2002-03 concerning the need for extending or repealing authorization for this provision.

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective May 2, 2001.

#### **CHAPTER 71**

#### H.P. 146 - L.D. 157

An Act to Clarify Marketing Standards for Telephone Utilities and Competitive Electricity Providers Sec. 1. 35-A MRSA §3203, sub-§6, as enacted by PL 1997, c. 316, §3, is amended to read:

6. Consumer protection standards; rules. The commission shall establish by rule consumer protection standards and standards to protect and promote market competition in order to protect retail consumers of electricity from fraud and other unfair and deceptive business practices. Notwithstanding Title 32, chapter 69, subchapter V or Title 32, section 4690-A, the commission may provide by rule that a competitive electricity provider may satisfy the requirements of subsection 4-A, paragraph A by obtaining from the customer oral authorization obtained by an independent 3rd party.

**Sec. 2. 35-A MRSA §7106, sub-§1,** ¶**A**, as enacted by PL 1997, c. 702, §1, is amended to read:

A. Except Notwithstanding Title 32, chapter 69, subchapter V or Title 32, section 4690-A, subsection 4, and except as otherwise provided by the commission by rule adopted pursuant to subsection 3, no <u>a</u> local or intrastate interexchange carrier may <u>not</u> initiate the change of a customer's local or intrastate carrier unless the change is verified by one of the following methods:

(1) Written authorization from the customer;

(2) Toll-free electronic authorization placed from the telephone number that is the subject of the change order; or

(3) Oral authorization obtained by an independent 3rd party.

Sec. 3. 35-A MRSA §7107, sub-§6, as enacted by PL 1999, c. 59, §1 and affected by §3, is amended to read:

6. Rulemaking. The commission shall adopt rules to implement this section. Rules adopted under this section are routine technical rules pursuant to Title 5, chapter 375, subchapter II-A. Rules adopted by the commission must at least:

A. Establish clear standards for interpreting and applying the state-of-mind standard applicable to billing agents who bill on behalf of service providers not properly registered with the commission;

B. Define types of evidence that constitute sufficient evidence of customer authorization in a manner that imposes the least economic and technical burdens on customers and service providers; and

C. With regard to direct-dialed telecommunications services, provide that evidence that a call was dialed from the number that is the subject of the charge is sufficient evidence of authorization for the charge for that call.

Notwithstanding Title 32, chapter 69, subchapter V or Title 32, section 4690-A, subsection 4, rules adopted by the commission pursuant to paragraph B may define "sufficient evidence of customer authorization" to include oral authorization obtained by an independent 3rd party.

See title page for effective date.

#### CHAPTER 72

H.P. 654 - L.D. 854

#### An Act to Amend the Maine Insurance Code to Adopt Statutory Insurance Accounting Principles

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

Sec. 1. 24 MRSA §2301, sub-§9-A, ¶A, as enacted by PL 1993, c. 702, Pt. A, §1, is amended to read:

A. A corporation subject to this chapter may invest funds in the same manner and to the same extent as domestic mutual insurers under the provisions of Title 24-A, chapter 13-A, except that such a corporation and shall maintain reserves for possible losses or fluctuation in the value of investments as contemplated in Title 24-A, section 921 901-A, subsection 6 2. Those reserves must comprehend, at a minimum, an asset valuation reserve and an income maintenance reserve calculated by methods that are consistent with standards that have been adopted by the superintendent for management of investment risk by life and health insurers.

Sec. 2. 24 MRSA §2301, sub-§9-A, ¶H, as enacted by PL 1993, c. 702, Pt. A, §1, is amended to read:

H. For corporations subject to this subsection, the following terms have the following meanings.

(1) "Admitted assets" means those assets owned by the corporation, as defined in recognized pursuant to Title 24-A, section 901 901-A, reduced in amount by any ap-