# MAINE STATE LEGISLATURE

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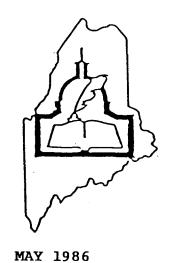
#### STATE OF MAINE

# ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

#### JOINT STANDING COMMITTEE ON

#### BUSINESS AND COMMERCE

# BILL SUMMARY



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### ONE HUNDRED AND TWELFTH LEGISLATURE SECOND REGULAR SESSION

JOINT STANDING COMMITTEE BILL SUMMARIES MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

Ought to Pass OTP Ought to Pass in New Draft OTP-ND Ought to Pass in New Draft, New Title OTP-ND-NT Ought to Pass as Amended OTP-AM Ought Not to Pass ONTP Leave to Withdraw LVWD Indefinitely Postponed INDEF PP

SUMMARY: The bill resulted from a study by the Business and Commerce Committee. The bill gives the Superintendent of Insurance the authority to establish a mandatory risk-sharing plan after notice and hearing whenever liability insurance is not available in the voluntary market and the public interest requires the availability. The bill applies to liability insurance for day care, liquor, municipalities and public entities. Any plan established is limited in duration to one year.

LD 2054 AN ACT RELATING TO CANCELLATION AND NONRENEWAL OF PROPERTY AND CASUALTY INSURANCE CONTRACTS

PL 1985 c. 671

Sponsor: Business and Commerce Committee

Committee Report: OTP-AM

H-612 CA

H S

SUMMARY: The bill resulted from a study by the Business and Commerce Committee. Under the bill, cancellation of policies before the expiration date are not allowed except under specified circumstances, such as nonpayment of premium, fraud, substantial change in the risk, insolvency or breach of contract or duties. Notice of nonrenewal or permitted cancellation is required. The bill applies only to contracts written after the effective date of the section.

The Committee Amendment (H-612) requires that cancellation provisions apply to all contracts currently written as well as future ones. Nonrenewal provisions are to go into effect 30 days after the effective date of the bill.

LD AN ACT TO PERMIT MOBILE BANKING IN RURAL MAINE 2055

PL 1985 c. 577

Sponsor: MARTIN, H., Simpson, Rotondi, Matthews, Z. Committee Report: New Draft of LD 1727

<u>SUMMARY:</u> The original bill, LD 1727, authorizes the use of mobile banks and authorizes the Superintendent of Banking to adopt rules regarding the operation of a mobile unit.