

MAINE STATE LEGISLATURE

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**STATE OF MAINE
115TH LEGISLATURE**

**FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION**

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE**

AUGUST 1991

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**ONE HUNDRED AND FIFTEENTH LEGISLATURE
FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION
JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1991**

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. The volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

All adopted amendments are listed, by paper number (e.g., H - 584 or S - 222), together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

| | |
|-----------------------------------|---|
| PUBLIC XXX | <i>Chapter # of enacted Public Law</i> |
| P&S XXX | <i>Chapter # of enacted Private & Special Law</i> |
| RESOLVE XXX | <i>Chapter # of enacted Resolve</i> |
| CON RES XXX | <i>Chapter # of Constitutional Resolution passed by both Houses</i> |
| EMERGENCY | <i>Enacted law takes effect sooner than 90 days</i> |
| CARRIED OVER | <i>Bill carried over to 2nd Session</i> |
| FAILED EMERGENCY ENACTMENT | <i>Bill failed to get 2/3 vote</i> |
| ONTP | <i>Ought Not to Pass report accepted</i> |
| LVWD | <i>Leave to Withdraw report accepted</i> |
| INDEF PP | <i>Bill Indefinitely Postponed</i> |
| DIED BETWEEN BODIES | <i>House & Senate disagree; bill died</i> |
| VETO SUSTAINED | <i>Legislature failed to override Governor's Veto</i> |
| UNSIGNED | <i>Not signed by Governor within 10 days</i> |
| DIED ON ADJOURNMENT | <i>Action incomplete when 1st session ended</i> |

These summaries were prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

If you have any suggestions or comments on these summaries, please let us know.

LD 127 An Act to Revise the Law Respecting Insurers' Dividend Distributions

PUBLIC 37

| SPONSOR(S) | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|---|-------------------------|---------------------------|
| THERIAULT COLLINS GARLAND RYDELL | OTP-AM | S-28 |

SUMMARY

Insurers may now declare and distribute dividends which could infringe upon policyholders' security by reducing the ability of insurers' to pay claims. This bill proposes to continue to allow these dividends, but requires a demonstration by the insurer that the proposed dividends are supported by adequate earnings of the corporation.

Committee Amendment "A" (S-28) adds a definition for "continuing directors" when any person acquires control of a domestic insurer. The amendment clarifies and adds to the definition of "extraordinary dividend," which is a type of dividend requiring 60 days advance notice to the Superintendent of Insurance. The amendment specifies the treatment to be afforded under the Maine Insurance Code to extraordinary dividends declared by insurance companies that are not Maine companies.

LD 166 An Act to Regulate Fees Imposed for the Use of Automated Teller Machines

LV/WD

| SPONSOR(S) | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|---------------------------------------|-------------------------|---------------------------|
| KETOVER GARLAND BUSTIN ERWIN | LV/WD | |

SUMMARY

Maine banks have been imposing fees for customer use of automated teller machines at the customer's own bank as well as at other banks. This bill bans the imposition of a fee on a person who has an account with the bank and gives the Bureau of Banking authority to regulate fees. (See LD 1085)

LD 177 Resolve, to Provide Group Insurance Coverage to Maine's Foster Parents

CARRIED OVER

| SPONSOR(S) | COMMITTEE REPORT | AMENDMENTS ADOPTED |
|--|-------------------------|---------------------------|
| BUSTIN RYDELL MCCORMICK TREAT | | |

SUMMARY

This resolve requires the Department of Human Services to provide assistance to foster parents who have no health insurance by offering them group health insurance coverage and developing a cost sharing plan with the foster parents.