

# 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:

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

deferred compensation plans to public employees. These are services that many Maine financial institutions already provide to private sector employers and employees.

**LD 393 An Act to Prohibit Tie-in Sales in Insurance**

**PUBLIC 49**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
RAND PINEAU THERIAULT HOGLUND	OTP-AM	H-46

**SUMMARY**

This bill prohibits sellers and lenders from requiring that a buyer or borrower purchase insurance through a particular broker or agent and prohibits brokers or agents from participating in a connected transaction. The bill does not prevent insurance agents or brokers from engaging in other types of business but does prohibit coerced combinations involving insurance.

Committee Amendment "A" (H-46) makes the tying in of insurance sales an unfair trade practice when the consumer is required to purchase but does not wish to purchase additional coverage in order to obtain a desired coverage and the consumer's alternative opportunities are severely limited or nonexistent.

**LD 409 An Act to Ensure Fair Insurance Practices**

**ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
GARLAND KANY KETOVER RAND	ONTP	

**SUMMARY**

This bill ensures fair insurance practices by prohibiting insurers from increasing rates because of an accident in which the other driver received a traffic citation, by prohibiting arbitrary increases in the deductible and by requiring that the policy or its envelope list the name, office address, office hours and telephone number of the underwriter.

**LD 442 An Act to Amend the Automobile Insurance Anti-group Laws**

**LV/WD**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
RAND BUSTIN KETOVER CARLETON	LV/WD	

**SUMMARY**

This bill amends anti-group laws in the automobile insurance industry. It will enable insurers to sell group insurance for automobiles and to mass market automobile insurance.