

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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Sen. Raynold Theriault
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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.

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
MITCHELL E KANY	OTP	

SUMMARY

Currently, truth-in-lending disclosures on tax refund anticipation loans provide deceptively underestimated costs to consumers, since lenders are allowed to assume a one-year term for the loan. In fact, the loans are "demand" loans, payable upon demand of the creditor, and repayment is invariably demanded when the refund is delivered by the Internal Revenue Service, which averages 2 to 6 weeks from the date the return is electronically filed. This bill requires that the actual estimated time before demand be used to base the annual percentage rate disclosed to the consumer.

LD 1821 An Act to Amend the Laws Concerning Continuity of Individual Health Insurance

ONTP

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
GARLAND BRAWN KANY	ONTP	

SUMMARY

This bill amends Public Law 1989, chapter 867, "An Act to Ensure Continuity of Health Insurance Coverage." As enacted, the portion of the law that relates to individual health insurance applies not only to policies issued after December 1, 1990, but to policies issued at any time prior to that date and subsequently renewed. This bill clarifies that the law does not apply to renewals.

LD 1830 An Act to Prohibit Certain Banking Practices

LV/WD

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
MITCHELL E KANY JOSEPH RAND	LV/WD	

SUMMARY

This bill prevents holders of mortgage notes on real property from calling due notes on which the mortgagor is current on the loan payments because the value of the property has decreased to less than the amount of the loan. This problem presents itself today because of declining real estate values and presents a potential for upsetting the business transactions of homeowners, builders and owners of commercial real estate.