

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
116TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

JULY 1993

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**ONE HUNDRED AND SIXTEENTH LEGISLATURE  
FIRST REGULAR SESSION**

**JOINT STANDING COMMITTEE  
BILL SUMMARIES**

**JULY 1993**

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.

The committee report or reports, the prime sponsor for each bill and the lead co-sponsor in each house if one has been designated are listed below each bill title. 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:

<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>P&amp;S XXX</i>	<i>Chapter # of enacted Private &amp; Special Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of enacted Resolve</i>
<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>CARRIED OVER</i>	<i>Bill carried over to Second Session</i>
<i>ONTP</i>	<i>Ought Not to Pass report accepted</i>
<i>ENACTMENT FAILED</i>	<i>Bill failed to get majority vote</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>FAILED EMERGENCY ENACTMENT</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>DIED BETWEEN BODIES</i>	<i>House &amp; Senate disagree; bill died</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference formed but unable to agree</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>
<i>UNSIGNED</i>	<i>Not signed by Governor within 10 days</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</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.

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

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**LD 78**      **An Act Concerning Medically Necessary Mastectomy Surgery**      **ONTP**

**SPONSOR(S)**      **COMMITTEE REPORT**      **AMENDMENTS ADOPTED**  
FOSTER      ONTP

**SUMMARY**

This bill expands the definition of medically necessary mastectomy surgery to include surgery on the other breast if medically necessary. The bill was referred to the Bureau of Insurance for study and a report was made back to the Banking and Insurance Committee which voted ONTP.

**LD 127**      **An Act to Amend the Laws Related to Pawn Transactions**      **PUBLIC 59**

**SPONSOR(S)**      **COMMITTEE REPORT**      **AMENDMENTS ADOPTED**  
BRANNIGAN      OTP-AM      S-50

**SUMMARY**

This bill amends the laws related to pawn transactions by applying the finance charge limits of the Maine Consumer Credit Code. It establishes reasonable rates for pawn transactions, while exempting pawnshop operations from lender licensing requirements.

Committee Amendment "A" (S-50) requires truth-in-lending disclosures, sets an interest rate cap of 25% per month on \$500 or less and 20% per month on the remainder. It allows the Superintendent of Consumer Credit Protection to develop model disclosure forms and clauses. It declares violations to be Unfair Trade Practices. It repeals provisions on sale of pawned items and proceeds.

**LD 159**      **An Act to Prohibit Insurance Companies from Denying Coverage Based on Preexisting Conditions**      **ONTP**

**SPONSOR(S)**      **COMMITTEE REPORT**      **AMENDMENTS ADOPTED**  
LIBBY J D      ONTP

**SUMMARY**

This bill prohibits insurers from denying health insurance coverage because an applicant or a dependent has a preexisting medical condition.

See LD 1548 for similar issues.

**LD 170**      **An Act to Reduce Paperwork for Health Care**      **ONTP**

**SPONSOR(S)**      **COMMITTEE REPORT**      **AMENDMENTS ADOPTED**  
BRUNO      ONTP

**SUMMARY**

This bill amends the law to allow funds to be transmitted electronically to health care providers. The bill requires health care providers to bill for health care services using a standard form and directions for completion and requires the use of electronic billing whenever possible. The bill requires insurers and nonprofit hospital and medical service organizations to accept the standard form and directions for completion and to make good faith efforts to establish systems for electronic filing of billing forms.

See LD 1548 for similar issues.