

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&S XXX</i>	<i>Chapter # of enacted Private & 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 & 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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SPONSOR(S)
ERWIN**COMMITTEE REPORT**
OTP-AM**AMENDMENTS ADOPTED**
H-174**SUMMARY**

Under Maine law consumers receive annual notices of their right to cancel open-end credit insurance under the Maine Consumer Credit Code. This bill exempts from that law open-end credit insurance.

Committee Amendment "A" (H-174) allows initial purchases to be made with a credit card, while requiring advanced notice of the charge if it is made on an annual basis. It exempts charges under open-end credit insurances already subject to 9-A MRSA §4-204.

LD 360 An Act Regarding Escrow Accounts of Taxes and Insurance by Mortgagees

ONTP

SPONSOR(S)
CLEVELAND**COMMITTEE REPORT**
ONTP**AMENDMENTS ADOPTED****SUMMARY**

This bill requires mortgagees to state in the mortgage the requirement of an escrow account for the payment of taxes and insurance premiums or to obtain the agreement of the mortgagor to the establishment of an escrow account.

LD 361 An Act Relating to Workers' Compensation Insurance

ONTP

SPONSOR(S)
BUSTIN**COMMITTEE REPORT**
ONTP**AMENDMENTS ADOPTED****SUMMARY**

This bill changes the name of the Maine Employers' Mutual Insurance Company to the Maine Workers' Compensation Insurance Company. As of January 1, 1994, it changes the composition of the board of directors of the company from 12 policyholders and the president to 4 employers who are policyholders and 4 employees of employers who are policyholders.

LD 375 An Act Regarding the Workers' Compensation Residual Market Mechanism

ONTP

SPONSOR(S)
MITCHELL E
MCCORMICK**COMMITTEE REPORT**
ONTP**AMENDMENTS ADOPTED****SUMMARY**

This bill establishes the Workers' Compensation Residual Market Mechanism Review Committee and a dedicated fund to meet its expenses, paid for by an assessment against the residual market mechanism. The review committee is directed to review the servicing practices, financial management and data reporting of the residual market mechanism and is charged with reporting to the Joint Standing Committee on Banking and Insurance. The committee may direct audits of the functions and records of the residual market mechanism.