

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

STATE OF MAINE  
116TH LEGISLATURE

FIRST REGULAR SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

JULY 1993

**Staff:**  
*Jane Orbeton, Legal Analyst*

*Office of Policy and Legal Analysis  
Room 101, State House Station 13  
Augusta, ME 04333  
(207)287-1670*

**MEMBERS:**

*\*Sen. Dale McCormick  
Sen. Richard J. Carey  
Sen. R. Leo Kieffer*

*\*Rep. Edward L. Pineau  
Rep. Phyllis R. Erwin  
Rep. Richard H. C. Tracy  
Rep. Ruth Joseph  
Rep. Anne M. Rand  
Rep. Mona Walker Hale  
Rep. Louise Townsend  
Rep. Joseph G. Carleton, Jr.  
Rep. Leslie Kutasi  
Rep. Richard H. Campbell*

*\*Denotes Chair*

MARTHA E. FREEMAN, DIRECTOR  
WILLIAM T. GLIDDEN, JR., PRINCIPAL ANALYST  
JULIE S. JONES, PRINCIPAL ANALYST  
DAVID C. ELLIOTT, PRINCIPAL ANALYST  
MARION HYLAN BARR  
JON CLARK  
LISA COPENHAVER  
DEBORAH C. FRIEDMAN  
MICHAEL D. HIGGINS  
JILL IPPOLITI



JOHN B. KNOX  
ROY W. LENARDSON  
PATRICK NORTON  
JANE ORBETON  
MARGARET J. REINSCH  
PAUL J. SAUCIER

JOHN G. KELLEY, RESEARCHER  
DARLENE A. SHORES LYNCH, RESEARCHER  
CARRIE C. McFADDEN, RESEARCHER

STATE OF MAINE  
OFFICE OF POLICY AND LEGAL ANALYSIS  
ROOM 101/107/135  
STATE HOUSE STATION 13  
AUGUSTA, MAINE 04333  
TEL: (207) 287-1670  
FAX (207) 287-1275

**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.

4693NRG

**LD 915 An Act to Reduce the Cost of Residential Care Treatment**

ONTP

**SPONSOR(S)**  
MARSH

**COMMITTEE REPORT**  
ONTP

**AMENDMENTS ADOPTED**

**SUMMARY**

This bill adds the provision of insurance advice and services for group homes for children and persons with mental retardation and specialized children's homes to the insurance responsibilities of the Bureau of General Services.

This bill divides the self-insurance fund administered by the Bureau of General Services into 2 funds. One fund would be for state property and one, designated in this bill as the "state-administered fund" would be for nonstate entities. Recovery against the state-administered fund is limited by contract provision and is limited to the assets of the fund as a maximum. The state-administered fund must be actuarially sound and may purchase excess insurance. The assets may be used only for insurance purposes. Provision of insurance through the state-administered fund does not expand tort liability beyond the limits of the Maine Tort Claims Act.

The bill makes several technical changes to the risk management laws to separate provisions that would apply to the self-insurance fund and those that would apply to the state-administered fund. In performing the functions of both funds, the Commissioner of Administrative and Financial Services and the Director of the Bureau of General Services are not subject to insurance regulations under the Maine Revised Statutes, Title 24-A.

See also LD 1465 on risk management and LD 1560 on school insurance purchases.

**LD 987 An Act Relating to Compulsory Insurance Limits for Hired Vehicles Used to Transport Passengers**

PUBLIC 21  
EMERGENCY

**SPONSOR(S)**  
RAND

**COMMITTEE REPORT**  
OTP-AM

**AMENDMENTS ADOPTED**  
H-89

**SUMMARY**

This bill reduces the minimum insurance requirements for vehicles with 7 or fewer passengers.

Committee Amendment "A" (H-89) extends the insurance requirements of current law until 6/1/93. As of 6/1/93 it divides vehicles with 7 or fewer passengers into no more than 3 passengers seated behind the driver, and 4 to 7 seated there.

**LD 991 An Act to Regulate the Extension of Credit Insurance to Persons Within the State**

ONTP

**SPONSOR(S)**  
GRAY

**COMMITTEE REPORT**  
ONTP

**AMENDMENTS ADOPTED**

**SUMMARY**

This bill requires credit life and health insurers to apply uniform underwriting criteria and forbids using age or full-time or part-time employment as a condition of issuance.