

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
118TH LEGISLATURE**

**FIRST REGULAR SESSION  
AND  
FIRST SPECIAL SESSION**

**BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE**

**JULY 1997**

**MEMBERS:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. Robert E. Murray, Jr.*

*Sen. I. Joel Abromson*

*Rep. Jane W. Saxl, Chair*

*Rep. Julie Winn*

*Rep. Thomas M. Davidson*

*Rep. Christopher P. O'Neil*

*Rep. Joseph C. Perry*

*Rep. Stephen S. Stanley*

*Rep. Joseph G. Carleton, Jr.*

*Rep. Sumner A. Jones, Jr.*

*Rep. Arthur F. Mayo III*

*Rep. Joseph Bruno*

**Staff:**

*Colleen McCarthy Reid, Legislative Analyst*

*Office of Policy and Legal Analysis*

*Room 101/107/135, 13 State House Station*

*Augusta, ME 04333*

*(207)287-1670*



**Maine State Legislature**

**OFFICE OF POLICY AND LEGAL ANALYSIS**

13 State House Station, Augusta, Maine 04333-0013  
Telephone: (207) 287-1670  
Fax: (207) 287-1275

**ONE HUNDRED EIGHTEENTH LEGISLATURE  
FIRST REGULAR AND FIRST SPECIAL SESSIONS**

**Summary Of Legislation Before The Joint Standing Committees  
August 1997**

We are pleased to provide this summary of bills that were considered by the 15 Joint Standing Committees of the Maine Legislature staffed by this office. The document is a compilation of bill summaries which describe each bill, committee amendments and other relevant amendments, as well as the final action taken on the bill. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized alphabetically by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet ([www.state.me.us/legis/opla](http://www.state.me.us/legis/opla)).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CARRIED OVER*.....*Bill carried over to Second Regular Session*
- CON RES XXX*.....*Chapter # of Constitutional Resolution passed by both Houses*
- CONF CMTE UNABLE TO AGREE*.....*Committee of Conference unable to agree; bill died*
- DIED BETWEEN BODIES*.....*House & Senate disagree; bill died*
- DIED IN CONCURRENCE*.....*One body accepts ONTP report; the other indefinitely postpones the bill*
- DIED ON ADJOURNMENT*.....*Action incomplete when session ended; bill died*
- EMERGENCY*.....*Enacted law takes effect sooner than 90 days*
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....*Emergency bill failed to get 2/3 vote*
- FAILED ENACTMENT/FINAL PASSAGE*.....*Bill failed to get majority vote*
- FAILED MANDATE ENACTMENT*.....*Bill imposing local mandate failed to get 2/3 vote*
- INDEF PP*.....*Bill Indefinitely Postponed*
- ONTP*.....*Ought Not To Pass report accepted*
- OTP ND*.....*Committee report Ought To Pass In New Draft*
- OTP ND/NT*.....*Committee report Ought To Pass In New Draft/New Title*
- P&S XXX*.....*Chapter # of enacted Private & Special Law*
- PUBLIC XXX*.....*Chapter # of enacted Public Law*
- RESOLVE XXX*.....*Chapter # of finally passed Resolve*
- UNSIGNED*.....*Bill held by Governor*
- VETO SUSTAINED*.....*Legislature failed to override Governor's Veto*

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 26, 1997 and September 19, 1997 for the First Special Session.

*David E. Boulter, Director*

Offices Located in the State House, Rooms 101/107/135

***Enacted law summary***

Public Law 1997, chapter 341 allows the court to award attorney's fees and costs to an insurer that prevails in a civil action and to award attorney's fees and costs to the prevailing party in civil actions in which a fraudulent insurance act is not established at trial if the allegation is not supported by a reasonable basis.

**LD 1371**

**An Act Regarding Compensation for Restricting Medical Care**

**ONTP**

<u>Sponsor(s)</u> BRENNAN		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1371 proposed to prohibit health care practitioners from contracting with nonprofit hospital and medical service organizations, insurers or health maintenance organizations or subcontracting with each other under such contracts to receive any inducement to deny or limit necessary and appropriate health care services or treatment for covered patients.

**LD 1374**

**An Act to Increase Mandatory Auto Insurance Limits**

**ONTP**

<u>Sponsor(s)</u> MILLS		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1374 proposed to increase mandatory motor vehicle insurance limits for damage to property from \$10,000 to \$25,000, for injury to or death of any one person from \$20,000 to \$50,000 and for one accident resulting in injury to or death of more than one person from \$40,000 to \$100,000. The bill also proposed to increase mandatory uninsured and underinsured motor vehicle coverage by the same amounts. The bill proposed to take effect January 1, 1999.

See related bill LD 668.

**LD 1385**

**An Act to Promote Parity in the Regulation of Insurance Sales by Federally and State-chartered Financial Institutions**

**PUBLIC 315  
EMERGENCY**

<u>Sponsor(s)</u> CAREY CAMPBELL		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-595 SAXL J S-234
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LD 1385 proposed to authorize state-chartered financial institutions to engage in the sale and negotiation of insurance products to the same extent as federally chartered financial institutions by making the following changes.

It authorizes supervised lenders to engage in insurance agency activities, subject to the same restrictions placed on agents affiliated with financial institutions and credit unions. Agents affiliated with supervised lenders are regulated by the Office of Consumer Credit Regulation and the Superintendent of Insurance.