

MAINE STATE LEGISLATURE

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STATE OF MAINE
118TH LEGISLATURE

SECOND REGULAR SESSION
AND
SECOND SPECIAL SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE

MAY 1998

MEMBERS:

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Sen. Robert E. Murray, Jr.
Sen. I. Joel Abromson

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ONE HUNDRED EIGHTEENTH LEGISLATURE
SECOND REGULAR AND SECOND SPECIAL SESSIONS

Summary Of Legislation Before The Joint Standing Committees
May 1998

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. 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 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).

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:

- 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 Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

the purpose of conducting actuarial and research studies that do not identify insurance consumers; and disclosures in connection with the marketing of a product or service if health information is not disclosed.

The law also governs the use and disclosure of adverse underwriting decisions, investigative consumer reports and pretext interviews by regulated insurance entities and insurance support organizations. It sets standards and procedures for insurance consumers to have access to recorded personal information held by insurance entities or support organizations and to correct, amend or delete that information.

Public Law 1997, chapter 677 takes effect June 30, 1998, except that the provisions concerning the use of personal information about insurance consumers apply to consumer insurance transactions that take place on or after January 1, 1999.

LD 1540

An Act to Establish a State Disaster Relief Trust Fund

**DIED
BETWEEN
BODIES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KERR	OTP-AM MAJ ONTP MIN	

LD 1540 was carried over from the First Regular and First Special Session and proposed to establish a disaster relief trust fund to be administered by the Maine Emergency Management Agency to match federal disaster assistance funds and provide other local disaster assistance. The trust fund is funded by a surcharge on homeowners' and business property insurance policies. The bill was originally referred to the Joint Standing Committee on Banking and Insurance, but was rereferred to the Joint Standing Committee on Appropriations and Financial Affairs in the Second Regular Session.

Committee Amendment “A” (H-846) is the minority report of the Joint Standing Committee on Appropriations and Financial Affairs. The amendment proposed to strike those provisions of the original bill that would have capitalized the Disaster Relief Trust Fund by imposing a surcharge on homeowners' and business property insurance policies. In its place, the amendment proposed to allow the fund to receive General Fund appropriations, transfers from the General Fund at the end of a fiscal year in an amount not to exceed \$2,000,000 in any fiscal year, any federal money deposited in the fund and all interest earned on the fund's balance.

The amendment proposed to authorize the Disaster Relief Trust Fund to be the first resource utilized when the Maine Revised Statutes, Title 37-B, section 742, regarding emergency proclamation or Title 37-B, section 744, regarding disaster relief, is invoked by the Governor.

The amendment also adds a fiscal note to the bill. Committee Amendment “A” was adopted in the House, but was not adopted in the Senate.