

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:

Sen. Lloyd P. LaFountain III, Chair
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.

Public Law 1997, chapter 579 also exempts from the requirements of Title 14, section 1611 mortgages subject to the notice of right to cure provisions of the Maine Consumer Credit Code; mortgages other than first mortgages made subject to the Code by agreement of the parties; and mortgages containing a 30-day notice of right to cure provision when notice is given to the mortgagor and any cosigner against whom the mortgagee seeks to enforce the loan or obligation securing the mortgage. The exemptions apply to mortgages enforced on or after July 4, 1996.

LD 1943

An Act to Repeal the Residency Requirement for Credit Union Directors

PUBLIC 566

<u>Sponsor(s)</u> SAXL J LAFOUNTAIN	<u>Committee Report</u> OTP	<u>Amendments Adopted</u>
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LD 1943 proposed to remove the requirement that directors of state-chartered credit unions be residents of the State. The bill also makes state law consistent with federal law applicable to directors of federally chartered credit unions.

Enacted law summary

Public Law 1997, chapter 566 removes the requirement that directors of state-chartered credit unions be residents of the State and makes state law consistent with federal law requirements for directors of federally chartered credit unions.

LD 2034

An Act to Correct Errors and Inconsistencies in Licensing Requirements for Licensed Insurance Professionals and Insurers

PUBLIC 592

<u>Sponsor(s)</u> LAFOUNTAIN	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> S-462
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LD 2034 proposed to correct errors and inconsistencies and clarify language in the licensing laws for insurance licensees in the areas of service of process, fees, agency licensing, examinations, surplus lines licensing and viatical settlements providers. The Maine Revised Statutes, Title 24-A, section 1431 has been repealed and similar language has been enacted as section 1441-A and section 1432 has been repealed and similar language has been enacted as section 1441-B. This bill also proposed to clarify that a home service contract sold by a licensed real estate broker is not insurance.

Committee Amendment “A” (S-462) proposed to add an exemption to the examination requirements for insurance producer licenses for applicants selling mechanical breakdown insurance only.

The amendment also added a fiscal note to the bill.

Enacted law summary