

MAINE STATE LEGISLATURE

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**STATE OF MAINE
119TH LEGISLATURE**

FIRST REGULAR SESSION

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

JULY 1999

MEMBERS:

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Sen. Neria R. Douglass.

Sen. I. Joel Abromson

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ONE HUNDRED NINETEENTH LEGISLATURE
FIRST REGULAR SESSION

Summary Of Legislation Before The Joint Standing and Select Committees
August 1999

We are pleased to provide this summary of all bills that were considered by the Joint Standing and Select Committees of the Maine Legislature this past session. 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 and select committees.

The document is organized for convenient reference to information on bills considered by the 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:

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
ENACTMENT FAILED..... Bill failed to get vote required for enactment or final passage
NOT PROPERLY BEFORE THE BODY..... Ruled out of order by the presiding officers; bill died
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 September 18, 1999.

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL	OTP-AM	H-401 H-486 O'NEIL

LD 1499 proposed to provide additional flexibility to insurers of large commercial risks, by allowing deregulation of their property and casualty insurance contracts under certain conditions.

Committee Amendment "A" (H-401) proposed to replace the bill. The amendment proposed to authorize the issuance of certain property and casualty insurance policies without rate-filing and form-filing requirements to qualifying large commercial policyholders. The amendment defined the criteria that must be met to qualify as a large commercial policyholder, contained disclosure provisions and required annual reporting by insurers on the policies issued to large commercial policyholders. The amendment proposed to give the Superintendent of Insurance the authority to deem the provisions of the statute waived if there is not sufficient competition for a particular line, class or type of insurance. The amendment would have required the Superintendent of Insurance to report to the Legislature before March 1, 2005 on the insurers issuing contracts to large commercial policyholders.

This amendment also proposed to add a fiscal note to the bill.

House Amendment "A" to Committee Amendment "A" (H-486) proposed to make technical corrections and to require the report by the Superintendent of Insurance to encompass the effects of this legislation.

Enacted law summary

Public Law 1999, chapter 328 authorizes the issuance of property and casualty insurance policies without rate-filing and form-filing requirements to qualifying large commercial policyholders, contains disclosure provisions and requires annual reporting by insurers on the policies issued to large commercial policyholders. It also requires the Superintendent of Insurance to report to the Legislature before March 1, 2005 on the insurers issuing contracts to large commercial policyholders.

Public Law 1999, chapter 328 also gives the Superintendent of Insurance the authority to deem the provisions of the statute waived if there is not sufficient competition for a particular line, class or type of insurance.

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PERRY	ONTP	

LD 1527 proposed to require an insurer to pay health care providers for health care services within 30 days of submission of a claim. The bill would have permitted one exception to this 30-day payment requirement: When the insurer provides written notice that a claim is controverted, the health care provider need not be paid within 30 days for health care services within the scope of the controverted claim provided after receipt of the notice. The bill also proposed to require that an insurer pay for these additional health care services and any legal expenses incurred by the insured in pursuit of payment of the controverted claim, when it is determined that the insurer is obligated to pay the controverted claim.