

# MAINE STATE LEGISLATURE

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*State Of Maine  
121st Legislature*

*First Regular Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Insurance and Financial Services*

*July 2003*

**Members:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. Neria R. Douglass*

*Sen. Arthur F. Mayo III*

*Rep. Christopher P. O'Neil, Chair*

*Rep. Marilyn E. Canavan*

*Rep. Joseph C. Perry*

*Rep. Bonita J. Breault*

*Rep. Anne C. Perry*

*Rep. Kevin J. Glynn*

*Rep. Florence T. Young*

*Rep. Lois A. Snowe-Mello*

*Rep. Michael A. Vaughan*

*Rep. Richard G. Woodbury*

**Staff:**

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*13 State House Station*

*Augusta, ME 04333*

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# Maine State Legislature



## Office Of Policy And Legal Analysis Office Of Fiscal And Program Review

### 121st Maine Legislature First Regular Session

#### Summary Of Legislation Before The Joint Standing Committees

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint 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 committees.

The document is organized for convenient reference to information on bills considered by the committees. It is arranged alphabetically by committee name 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:

<i>CARRIED OVER PURSUANT TO HP 1212</i> .....	<i>Bills carried over to the 2<sup>nd</sup> Regular Session</i>
<i>CON RES XXX</i> .....	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i> .....	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i> .....	<i>House &amp; Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i> .....	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i> .....	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i> .....	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i> .....	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i> .....	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i> .....	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i> .....	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i> .....	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i> .....	<i>Ought Not To Pass report accepted</i>
<i>OTP-ND</i> .....	<i>Committee report Ought To Pass In New Draft</i>
<i>P&amp;S XXX</i> .....	<i>Chapter # of enacted Private &amp; Special Law</i>
<i>PASSED</i> .....	<i>Joint Order passed in both bodies</i>
<i>PUBLIC XXX</i> .....	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i> .....	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i> .....	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i> .....	<i>Legislature failed to override Governor's Veto</i>

Please note that the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 13, 2003.

**David C. Elliott, Director**  
Offices located in Room 215 of the Cross Office Building

*Joint Standing Committee on Insurance and Financial Services*

**LD 2**

**An Act to Extend the Time to Pay a Premium to the Insured**

**PUBLIC 35**

<u>Sponsor(s)</u> O'NEIL		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-29
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LD 2 proposed to extend the time for a licensee to pay premiums to the insured from 10 days to 45 days.

**Committee Amendment "A" (H-29)** proposed to replace the bill. This amendment proposed to extend the time for a licensed insurance producer to pay return premiums from 10 to 30 days. The amendment also proposed to clarify that the payment of premiums by an insurance producer to an insurance company must be done in accordance with the contract between the producer and the insurance company.

*Enacted Law Summary*

Public Law 2003, chapter 35 extends the time for a licensed insurance producer or broker to pay premium refunds to an insured from 10 days to 30 days.

**LD 5**

**An Act to Amend the Law Pertaining to Notice of Nonrenewal of an Automobile Insurance Policy**

**PUBLIC 26**

<u>Sponsor(s)</u> O'NEIL		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-14
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LD 5 proposed to clarify that the number of accidents that would permit nonrenewal of an insurance policy insuring each additional motor vehicle is increased by one, no matter how many policies are issued for the motor vehicles.

**Committee Amendment "A" (H-14)** proposed to replace the bill. The amendment proposed to clarify that the aggregate number of accidents that would permit nonrenewal of an insurance policy insuring that motor vehicle or other vehicles in that household is increased by one regardless of the number of policies that are issued for the motor vehicles.

*Enacted Law Summary*

Public Law 2003, chapter 26 clarifies that the aggregate number of accidents that would permit an insurer to non-renew a policy insuring that motor vehicle or other motor vehicles in that household is increased by one regardless of the number of policies that are issued for the motor vehicles.