

# MAINE STATE LEGISLATURE

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*State Of Maine  
122nd Legislature*

*First Regular Session and  
First Special Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Insurance and Financial Services*

*August 2005*

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Maine State Legislature

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122nd Legislature
First Regular Session and First Special Session

Summary of Legislation Considered by the Joint Standing Committees
August 2005

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing 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 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. A subject index for each committee is included immediately before the bill summaries for that committee, and a numerical index by LD number is included 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
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
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 June 29, 2005; and for non-emergency legislation enacted in the First Special Session is September 17, 2005.

*Joint Standing Committee on Insurance and Financial Services*

**LD 41**                      **An Act To Prohibit Credit Card Companies from Charging Late Fees on Certain Accounts**                      **ONTP**

|                             |  |                                 |  |                           |
|-----------------------------|--|---------------------------------|--|---------------------------|
| <u>Sponsor(s)</u><br>SCHATZ |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
|-----------------------------|--|---------------------------------|--|---------------------------|

LD 41 proposed to prohibit credit card issuers from charging a late fee on an account if the interest rate exceeds 12.5%.

**LD 65**                      **An Act To Protect Consumers from Unfair Cancellation of Property Insurance Coverage**                      **ONTP**

|  |  |                                 |  |                           |
|--|--|---------------------------------|--|---------------------------|
| <u>Sponsor(s)</u><br>MOORE G<br>GAGNON |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
|--|--|---------------------------------|--|---------------------------|

LD 65 proposed to remove the restriction in the so-called Maine Property Insurance Cancellation Control Act that insured property must be owner-occupied for the Act to apply to policies insuring against loss or damage to that property. The bill does not change the Act's requirements that the insured property be used solely for residential purposes and consist of not more than 4 apartments. The bill proposed to give the protections of the Act to owners of rental residential property, including the right to request a hearing before the Superintendent of Insurance when the insurer has notified the insured that the policy will not be renewed. Under current law, owners of rental property are entitled to request a hearing only if the policy is being cancelled before its term has been completed.

**LD 86**                      **An Act To Increase the Availability of Individual Health Insurance in Maine**                      **ONTP**

|  |  |                                 |  |                           |
|--|--|---------------------------------|--|---------------------------|
| <u>Sponsor(s)</u><br>SNOWE-MELLO<br>FLETCHER |  | <u>Committee Report</u><br>ONTP |  | <u>Amendments Adopted</u> |
|--|--|---------------------------------|--|---------------------------|

LD 86 proposed to remove the requirement that health insurance carriers offer standardized individual health plans defined by the Superintendent of Insurance.