

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

STATE OF MAINE
123RD LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON INSURANCE AND
FINANCIAL SERVICES**

July 2007

STAFF:

COLLEEN MCCARTHY REID
LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

MEMBERS:

SEN. NANCY B. SULLIVAN, CHAIR
SEN. PETER B. BOWMAN
SEN. LOIS A. SNOWE-MELLO

REP. JOHN R. BRAUTIGAM, CHAIR
REP. MARILYN E. CANAVAN
REP. SHARON ANGLIN TREAT
REP. CHARLES R. PRIEST
REP. JILL M. CONOVER
REP. PATSY GARSIDE CROCKETT
REP. WESLEY E. RICHARDSON
REP. MICHAEL A. VAUGHAN
REP. JONATHAN B. MCKANE
REP. DAVID G. SAVAGE

STATE OF MAINE

123RD LEGISLATURE

FIRST REGULAR SESSION

LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123rd Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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 |
| NOT PROPERLY BEFORE THE BODY..... | Ruled out of order by the presiding officers; bill died |
| INDEF PP..... | Bill Indefinitely Postponed |
| ONTP (or Accepted ONTP report)..... | Ought Not To Pass report accepted |
| OTP-ND..... | Committee report Ought To Pass In New Draft |
| P&S XXX..... | Chapter # of enacted Private & Special Law |
| PASSED..... | Joint Order passed in both bodies |
| 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 that the effective date for non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Insurance and Financial Services

LD 456 requires financial institutions to send a registered letter to the last known address of an account holder of an inactive account before disposing of the money in the account pursuant to the Uniform Unclaimed Property Act. If the financial institution does not send a registered letter, the institution is liable to the account holder for the value of the account when the money was disposed.

Committee Amendment "A" (H-40)

This amendment is the minority report of the committee and replaces the bill. The amendment requires financial institutions to send written notice by certified mail with return receipt requested to account holders of unclaimed accounts and wait at least 30 days after sending the notice before disposing of the money in the account according to the Uniform Unclaimed Property Act. The amendment does not require a notice to be sent if the financial institution has a reasonable belief that the last known address of the account holder is not accurate. The amendment also permits the financial institution to recoup the costs associated with mailing a written notice from the money in the unclaimed account.

Committee Amendment "A" was not adopted.

| | | |
|---------------|--|-------------|
| LD 476 | An Act To Establish a Reinsurance Fund To Expand Health Insurance Coverage for Individuals and Small Groups | ONTP |
|---------------|--|-------------|

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| ROSEN R | ONTP | |

LD 476 establishes the Health Insurance Individual and Small Group Reinsurance Fund to provide reimbursement of certain high-cost claims for persons covered under individual and small group health plans. The fund would reimburse carriers for 90% of claims paid between \$25,000 and \$75,000 for each enrollee covered by the carrier on a calendar year basis.

| | | |
|---------------|---|-------------|
| LD 526 | An Act To Increase Eligibility for the Dirigo Health Program | ONTP |
|---------------|---|-------------|

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|----------------------|-------------------------|---------------------------|
| CONOVER STRIMLING | ONTP | |

LD 526 reduces the number of hours an employee of an eligible business must work per week from 20 to 10 in order to be eligible to enroll in the Dirigo Health Program. The bill also requires the Board of Directors of Dirigo Health to adopt a rule that allows an eligible business to include employees who work on a temporary, substitute or seasonal basis as eligible to enroll in the Dirigo Health Program so long as inclusion of such employees does not result in the reduction of hours or the reduction or elimination of coverage for eligible employees working more than 10 hours per week.

| | | |
|---------------|--|-------------|
| LD 578 | An Act To Help Maine People Be Informed Medical Consumers | ONTP |
|---------------|--|-------------|

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

LD 578 requires health insurance carriers to provide coverage for an initial consultation with a primary care provider to assist an enrollee in selecting a primary care provider. The bill requires carriers to provide coverage

Joint Standing Committee on Insurance and Financial Services

for a maximum of 3 such visits for an enrollee in a 12-month period.

LD 589 An Act To Repeal Certain Health Savings Account Provisions

ONTP

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

LD 589 is a concept draft pursuant to Joint Rule 208. This bill proposes to repeal certain state income tax provisions regarding health savings accounts.

LD 590 An Act To Amend Certain Requirements Applicable to Insurance Producers

PUBLIC 51

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| FISCHER | OTP | |

LD 590 makes the following changes to the laws applicable to insurance producers to establish consistency with current national uniformity standards:

1. It eliminates the prelicensing requirement under which potential license applicants were required to complete either a course of instruction or comply with an experience requirement before being able to sit for the qualifying license examination;
2. It expands the scope of the limited producer license for certain insurance provided in connection with the short-term rental of motor vehicles; and
3. It clarifies that nonresident producers with surplus lines authority are not required to maintain a physical office within this State.

Enacted Law Summary

Public Law 2007, chapter 51 makes the following changes to the laws applicable to insurance producers to establish consistency with current national uniformity standards:

1. It eliminates the prelicensing requirement under which potential license applicants were required to complete either a course of instruction or comply with an experience requirement before being able to sit for the qualifying license examination;
2. It expands the scope of the limited producer license for certain insurance provided in connection with the short-term rental of motor vehicles; and
3. It clarifies that nonresident producers with surplus lines authority are not required to maintain a physical office within this State.