

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
109TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. H-409)

COMMITTEE AMENDMENT "A" to H.P. 642, L.D. 797, Bill,
"AN ACT to Permit Nonprofit Legal Service Organizations."

Amend the Bill in section 2 by striking out all of that
part designated "§3009."

in section 2
Further amend the Bill/by striking out all of that part
designated "§3014." and inserting in its place the following:

'§3014. Revocation of authority; license

The superintendent may file a petition with the
Administrative Court seeking the revocation of a certificate
of authority or license granted under this chapter for cause at
any time.'

Further amend the Bill in section 2 by striking out
last
at the end of the/sentence of the first paragraph of that
part designated "§3016." the following: ", chapters 33 and 35"

Further amend the Bill in section 2 by striking out all
of the first underlined paragraph of that part designated
"§3017." and inserting in its place the following:

'The following chapters and provisions of Title 24-A, where
and to the extent not inconsistent with this chapter and the
reasonable implications thereof, shall apply to the corporations.'

Further amend the Bill in section 2 by striking out all of that part designated "§3019." and inserting in its place the following:

'§3019. Disapproval of filing

If, at any time, the superintendent has reason to believe that a filing does not meet the requirements that rates shall not be excessive, inadequate or unfairly discriminatory, or violates any of Title 24-A, chapter 23, to the extent it is applicable pursuant to section 3017, he shall, after a hearing held upon not less than 10 days written notice to the organization making the filing specifying the matters to be considered at the hearing, issue an order specifying in what respect, if any, he finds that the filing fails to meet the requirements that rates shall not be excessive, inadequate or unfairly discriminatory and stating when, within a reasonable period thereafter, the filing shall be deemed no longer effective. Copies of the order shall be sent to the organization making the filing. The order shall not affect any individual subscriber or membership contract made or issued prior to the expiration of the effective period set forth in the order. Hearings held under this section shall conform to the procedural requirements set forth in the Maine Administrative Procedure Act, Title 5, chapter 375, subchapter IV.'

Further amend the Bill in section 2 by renumbering those parts designated "§3010." to "§3021." to be '§3009.' to '§3020.'

Statement of Fact

This amendment makes the following changes in the bill:

1. Deletes the provision allowing the superintendent to arbitrate disputes between attorneys and the organization thus leaving the decision to the courts;
2. Changes the revocation of authority section to comply with the Administrative Procedure Act;
3. Deletes the references to chapters in Title 24-A which relate to health insurance;
4. Provides that the provisions of certain chapters in Title 24-A be applicable to legal service organizations without the necessity for the adoption of rules and regulations by the superintendent in order for the chapters to apply;
5. Provides that rates may be denied on the grounds that they are excessive or on the grounds that they violate the Trade Practices Act of Title 24-A;
6. Provides that the burden of proof at a rate hearing shall be on the organization making the filing; and
7. Provides that hearings held on rate filings would be conducted pursuant to the Maine Administrative Procedure Act.

Reported by the Majority of the Committee on Judiciary
Reproduced and distributed under the direction of the
Clerk of the House.

5/14/79 (Filing No. H-409)