

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
114TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " A" to S.P. 120, L.D. 186, Bill, "An Act to Amend the Continuing Care Retirement Law"

Amend the bill in that part designated "Sec. 1." in subsection 11 in the 3rd line (page 1, line 8 in L.D.) by striking out the following: "70%" and inserting in its place the following: '65%'

Further amend the bill in that part designated "Sec. 13" in paragraph E by striking out the first 6 lines of subparagraph 2 (page 10, lines 26-31 in L.D.) and inserting in its place the following:

'(2) All escrowed entrance fees that are not included or pledged as security as permitted by subparagraph (1) shall remain in an interest-bearing escrow account, provided that those funds may be applied or pledged to the facility's construction or purchase upon proof, satisfactory to the superintendent, that:'

Further amend the bill in that part designated "Sec. 13" in paragraph E in subparagraph 2 in division (a) in the 3rd line (page 10, line 35 in L.D.) by striking out the following: "70%" and inserting in its place the following: "65%"

Further amend the bill in that part designated "Sec. 16" by striking out all of paragraph G and inserting in its place the following:

'G. Upon determining that the requirements of section 6203, subsection 3, paragraph E, subparagraph (2), have been met, the superintendent shall authorize the escrow agent to release, and the escrow agent shall release, to the provider the amount of escrowed funds received from prospective subscribers and deposited in the account while the provider was operating under a preliminary certificate of authority.'

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Further amend the bill in that part designated "Sec. 20" in subsection 3 (page 15, lines 37 and 40 in L.D.) by striking out the following: "30%" and inserting in its place the following: '20%'.

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Further amend the bill in that part designated "Sec. 20" in subsection 4 in the 3rd line (page 15, line 49 in L.D.) by striking out the following: "40%" and inserting in its place the following: '25%'.

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Further amend the bill after section 22 and before the statement of the fact by inserting the following:

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'Sec. 23. Sunset. This Act is repealed effective October 1, 1994 provided that it shall continue to apply to any continuing care retirement community which applied for a preliminary certificate of authority after the effective date of the Act but prior to October 1, 1994.'

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FISCAL NOTE

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This bill will result in a minor increase in dedicated revenue to the Bureau of Insurance within the Department of Professional and Financial Regulation due to an increase in the number of continuing care retirement communities. The bureau will be able to absorb any additional administrative costs within its current budgeted allocation.'

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STATEMENT OF FACT

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The amendment reduces the percentage of units which must be occupied before a continuing care retirement community, or CCRC, is determined to be operational, reduces the operating reserve requirements, and sunsets the bill 5 years from its effective date. It is intended that CCRC's applying for a preliminary certificate of authority after the effective date of this bill and before the sunset date would be governed under the law in effect at the time the preliminary certificate is applied for.

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Reported by Senator Theriault for the Committee on Banking and Insurance. Reproduced and Distributed Pursuant to Senate Rule 12.

(5/25/89)

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