

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

December 3, 1986 to June 30, 1987

Chapters 1-542

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

Twin City Printery
Lewiston, Maine
1987

PUBLIC LAWS

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harvested beyond the State's jurisdiction.

§8863. Sample forms

The director shall make available samples of all forms sufficient to satisfy the requirements of this article.

§8864. Repeal

This article is repealed 90 days after the end of the Second Regular Session of the 113th Legislature.

Effective September 29, 1987.

CHAPTER 287

H.P. 1231 — L.D. 1681

AN ACT to Clarify the Site Location Law.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 38 MRSA §488, last ¶, as enacted by PL 1983, c. 819, Pt. A, §64, is amended to read:

Development which consists only of a subdivision or subdivisions located entirely within the area of the State subject to the jurisdiction of the Maine Land Use Regulation Commission under Title 12, chapter 206-A, is exempt from the requirements of this Article article. New construction which is not a "development which may substantially affect the environment" at an existing manufacturing facility is exempt from review under this article provided that the additional disturbed area not to be revegetated does not exceed 30,000 square feet in any calendar year. When review under this article is required for development at an existing manufacturing facility, the applicant shall provide plans for the new development as well as for those activities which have been undertaken pursuant to this section.

Effective September 29, 1987.

CHAPTER 288

H.P. 1233 — L.D. 1683

AN ACT to Establish a School Bus Safety and Driver Training Program.

Be it enacted by the People of the State of Maine as follows:

29 MRSA §2017-A is enacted to read:

§2017-A. School bus safety and driver training

The Department of Educational and Cultural Services

shall develop, certify and administer regional school bus driver training programs and shall assist school administrative units in school bus safety and driver training. This program shall be administered within available resources.

Effective September 29, 1987.

CHAPTER 289

H.P. 1242 — L.D. 1694

AN ACT Relating to Supplemental Assessments under the Taxation Laws.

Be it enacted by the People of the State of Maine as follows:

36 MRSA §713-A is enacted to read:

§713-A. Certain supplemental assessments

Notwithstanding section 713, when a municipality has foreclosed on a parcel of real estate and the owner recovers the real estate because of errors in the lien and foreclosure process, supplemental assessments may be made for any year back to the year of the foreclosure which is determined to be erroneous.

Effective September 29, 1987.

CHAPTER 290

H.P. 1243 — L.D. 1695

AN ACT Relating to Penalties for Failure to Make Prompt Payment of Workers' Compensation Benefits.

Be it enacted by the People of the State of Maine as follows:

39 MRSA §104-A, sub-§2, as amended by PL 1983, c. 479, §28, is repealed and the following enacted in its place:

2. Failure to pay within time limits. An employer or insurance carrier who fails to pay compensation, as provided in this section, shall be penalized as provided in this subsection.

A. Except as otherwise provided by section 51-B, subsection 9, if an employer or insurance carrier fails to pay compensation as provided in this section, the commission shall assess against the employer or insurance carrier a forfeiture of up to \$100 for each day of non-compliance. If the commission finds that the employer or insurance carrier was prevented from complying with this section because of circumstances beyond their control, no forfeiture may be assessed.

(1) One-half of the forfeiture shall be paid to the employee to whom compensation is due and 1/2 shall be paid to the commission and be credited to the General Fund.

(2) If a forfeiture is assessed against any employer or insurance carrier under this subsection on petition by an employee, the employer or insurance carrier shall pay reasonable attorneys fees, as determined by the commission, to the employee.

(3) Forfeitures assessed under this subsection may be enforced by the Superior Court as provided in section 103-E.

B. Payment of any forfeiture assessed under this subsection shall not be considered an element of loss for the purpose of establishing rates for workers' compensation insurance.

Effective September 29, 1987.

CHAPTER 291

H.P. 1244 — L.D. 1696

AN ACT Concerning Unfair Claims Practices.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 24-A MRSA §2164-D is enacted to read:

§2164-D. Unfair claims practices

1. Unfair practices. Any of the following activities by an insurer, if committed without just cause and performed with such frequency as to indicate a general business practice, constitutes unfair claims settlement practices. The Superintendent of Insurance shall investigate and determine if the insurer engaged in any of the following activities:

A. Knowingly misrepresenting to an insured pertinent facts of policy provisions relating to coverage at issue;

B. Failing to acknowledge and review claims, which may include payment or denial of a claim, within a reasonable time following receipt of written notice by the insurer of a claim by an insured arising under a policy;

C. Adopting a policy of appealing from arbitration awards in favor of insureds for the sole purpose of compelling them to accept settlements less than the arbitration award;

D. Failing to affirm coverage, reserving any appropriate defenses, or deny coverage within a reasonable time after completed proof of loss forms have been

received by the insurer; or

E. Failing to deal with insureds in good faith to resolve claims made against a policy of an insured.

2. Application. This section does not apply to health or life insurance or workers' compensation claims.

Sec. 2. 24-A MRSA §2436-A is enacted to read:

§2436-A. Unfair claims practices

1. Civil actions. Any person injured by any of the following actions taken by his own insurer may bring a civil action and recover damages, together with costs and disbursements, reasonable attorneys fees and interest on damages at the rate of 1 1/2% per month:

A. Knowingly misrepresenting to an insured pertinent facts of policy provisions relating to coverage at issue;

B. Failing to acknowledge and review claims, which may include payment or denial of a claim, within a reasonable time following receipt of written notice by the insurer of a claim by an insured arising under a policy;

C. Threatening to appeal from an arbitration award in favor of an insured for the sole purpose of compelling the insured to accept a settlement less than the arbitration award; or

D. Failing to affirm coverage, reserving any appropriate defenses, or deny coverage within a reasonable time after completed proof of loss forms have been received by the insurer.

2. Application. This section does not apply to health or life insurance or workers' compensation claims.

Effective September 29, 1987.

CHAPTER 292

H.P. 1245 — L.D. 1697

AN ACT to Require an Insurance Agent or Broker to be Located at each Place of Business.

Be it enacted by the People of the State of Maine as follows:

24-A MRSA §1543 is enacted to read:

§1543. Duty to have agent or broker at each place of business

Each place of business maintained by an insurance agent or broker for the purpose of transacting insurance shall be under the supervision of an insurance broker or