

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

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

December 7, 1988 to July 1, 1989

Chapters 1 - 502

THE GENERAL EFFECTIVE DATE FOR
NON-EMERGENCY LAWS IS
SEPTEMBER 30, 1989

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

J.S. McCarthy Company
Augusta, Maine
1989

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
FIRST REGULAR SESSION

of the
ONE HUNDRED AND FOURTEENTH LEGISLATURE

1989

CHAPTER 191

S.P. 390 - L.D. 1035

An Act Providing for Amendments to the Adaptive Equipment Loan Program

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, under current law, there is uncertainty regarding borrower eligibility under the Adaptive Equipment Loan Program; and

Whereas, there is further uncertainty regarding legislative responsibility for confirmation of members of the Adaptive Equipment Loan Program Fund Board; and

Whereas, this Act is necessary to permit implementation of the loan program to further the beneficial purposes of the program; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 10 MRSA §371, sub-§3, as enacted by PL 1987, c. 817, §2, is amended to read:

3. Qualifying borrower. "Qualifying borrower" means any individual, for-profit or nonprofit corporation or partnership which demonstrates that the loan will assist one or more persons with disabilities to improve their independence or become more productive members of the community. The individual, corporation or partnership must demonstrate credit worthiness and repayment abilities to the satisfaction of the board.

Sec. 2. 10 MRSA §375, sub-§4 is enacted to read:

4. Distribution. At least 75% of all loans shall go to assist individual qualifying borrowers. Loans to for-profit qualifying borrowers shall represent no more than 50% of the total project cost.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective May 26, 1989.

CHAPTER 192

S.P. 47 - L.D. 14

An Act to Allow Insurers to Underwrite Mass Marketed Property and Casualty Insurance Plans

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

Sec. 1. 24-A MRSA §2304, sub-§5 is enacted to read:

5. Filings of rates to be utilized in connection with one or more mass marketing plans as defined in section 2932 shall clearly identify their applicability to those plans.

Sec. 2. 24-A MRSA §2937-A is enacted to read:

§2937-A. Disclosure of underwriting

A person is deemed to be engaged in deceptive advertising if the person makes, publishes or circulates or causes to be made, published or circulated any written statement relating to an underwritten Maine mass marketing plan, if that written statement does not include a conspicuous notice that some members of the group to which the plan is marketed will not be eligible for insurance. A person making the statement is subject to a desist order issued under section 2165 and to any applicable penalty provided by law.

Sec. 3. 24-A MRSA §2938, as enacted by PL 1973, c. 625, §146, is repealed.

Sec. 4. 24-A MRSA §2938-A is enacted to read:

§2938-A. Availability

The insurer shall file with the superintendent its underwriting rules pertaining to eligibility for the mass marketing plan. No insurer may use underwriting standards for individual risk selection in a mass marketing plan which are, on the whole, more restrictive than the standards used by that insurer for individual risk selection in the sale of the same kind of insurance in this State other than pursuant to mass marketing plans. If an insurer does not sell that kind of insurance in this State other than pursuant to mass marketing plans, its underwriting standards for individual risk selection in those plans shall, on the whole, be no more restrictive than the standards used by its principal affiliate, if any, for individual risk selection in the sale of that kind of insurance in this State other than pursuant to mass marketing plans. With respect to motor vehicle insurance, all policies issued under the mass marketing plans shall provide at least the financial responsibility limits of coverage stated in Title 29, section 781, subsection 1, paragraph D.

If an insurer rejects an applicant for coverage pursuant to a mass marketing plan, the insurer shall provide a notice of rejection to the applicant. Explanations such as "underwriting reasons," "loss record," "location of risk" and

similar insurance terms are not by themselves acceptable explanations of an insurer's rejection.

The insurance shall be offered without discrimination against any eligible member of the plan as to rates, forms or coverages. Nothing in this section shall preclude the establishment of different classes of risk.

Insurers may not cancel, fail to renew or change the rating classification of insureds who have coverage in force under existing plans as of the effective date of this section for the sole reason that the insured fails to meet underwriting standards which are applicable to persons enrolling in the plans after the effective date of this section.

Sec. 5. Report. The Superintendent of Insurance shall report to the Joint Standing Committee on Banking and Insurance by April 1, 1991, regarding the operation of mass marketing plans in the State, including such matters as the number of mass marketing plans, a brief description of the underwriting standards used in the plans and a description of complaints received by the Bureau of Insurance relating to rejection of applicants for coverage under a mass marketing plan.

See title page for effective date.

CHAPTER 193

S.P. 113 - L.D. 168

An Act to Amend the Home Construction Contracts Law

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

Sec. 1. 10 MRSA §1487, sub-§§10 and 11, as enacted by PL 1987, c. 574, are amended to read:

10. Door-to-door sales. If the contract is being used for sales regulated by the consumer solicitation sales law, Title 32, chapter 69, subchapter V or the home solicitation sales law, Title 9-A, Part 5, a description of the consumer's rights to avoid the contract, as set forth in these laws; and

11. Residential insulation. If the construction includes installation of insulation in an existing residence, any disclosures required by chapter 219, Insulation Contractors; and

Sec. 2. 10 MRSA §1487, sub-§12 is enacted to read:

12. Energy standards. A statement by the contractor that chapter 214 establishes minimum energy efficiency building standards for new residential construction, and whether the new building or an addition to an existing building will meet or exceed those standards.

See title page for effective date.

CHAPTER 194

H.P. 213 - L.D. 293

An Act Relating to Agricultural Awareness

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

7 MRSA c. 8-D is enacted to read:

CHAPTER 8-D

AGRICULTURAL AWARENESS

§241. Awareness program

The Commissioner of Agriculture, Food and Rural Resources shall:

1. Public awareness. Produce audio-visual materials, facilitate public service programming, prepare written materials, organize a speakers' bureau and otherwise educate the public. The commissioner, in carrying out these duties, shall address the following needs: maintaining a lasting and sustainable agriculture; protecting our critical rural infrastructures; guaranteeing continued and effective production and marketing of fresh fruits, vegetables and livestock; preserving prime farmland; conserving our soils and water; and generally ensuring the quality of life in rural Maine.

2. Agricultural literacy. Cooperate with the Department of Educational and Cultural Services to develop instructional materials, train teachers and teacher trainers and otherwise complete actions for utilizing agriculture as an exciting medium for educating students both about society and the natural world, while increasing their literacy by infusing basic agricultural concepts such as agriculture and economics, the dynamics of world hunger, agriculture and history within present subjects taught in Maine schools.

3. Cooperation. Cooperate with appropriate local, state, and federal agencies and institutions, educational and farm organizations and interested individuals, including the Maine Ag in the Classroom Association, the Department of Educational and Cultural Services and the Cooperative Extension Service in carrying out this chapter.

See title page for effective date.

CHAPTER 195

S.P. 333 - L.D. 894

An Act to Improve Enforcement of Animal Welfare Laws

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and