

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

SECOND SPECIAL SESSION

December 12, 1991 to January 7, 1992

SECOND REGULAR SESSION

January 8, 1992 to March 31, 1992

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JUNE 30, 1992

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
1992

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND REGULAR SESSION

of the
ONE HUNDRED AND FIFTEENTH LEGISLATURE

1991

B. The rates for that form are based on individually underwritten standard risks; and

C. The rates have been filed pursuant to section 2321.

6. Conformity to rules. A converted contract issued under this section ~~shall must~~ conform to ~~regulations promulgated rules~~ adopted by the superintendent. These ~~regulations shall rules must~~ ensure that continuity of coverage with similar benefits as determined by the superintendent is ~~provided offered~~. The rules must also specify plans with more limited benefits that must be offered, but shall may not require a nonprofit service corporation to provide benefits in excess of those provided under the group contract from which conversion is made.

Sec. 2. 24-A MRSA §2809-A, sub-§§4 and 6, as enacted by PL 1981, c. 606, §2, are amended to read:

4. The premium on the converted policy ~~shall must~~ be determined in accordance with premium rates applicable to individually underwritten standard risks for the age and class of risk of each person to be covered and the type and amount of insurance provided. Experience under converted policies ~~shall is not be~~ an acceptable basis for establishing rates for converted policies, except to the extent permitted by ~~regulations promulgated rules adopted~~ by the superintendent.

The superintendent may establish maximum rates by rule for standard benefit options.

Maximum rates do not apply if all of the following conditions are met:

A. Conversion is provided through a form that is also issued to individually underwritten standard risks;

B. The rates for that form are based on individually underwritten standard risks; and

C. The rates have been filed pursuant to section 2736.

6. A converted policy issued under this section ~~shall must~~ conform to ~~regulations promulgated rules adopted~~ by the superintendent. These ~~regulations shall rules must~~ ensure that continuity of coverage with similar benefits as determined by the superintendent is ~~provided offered~~. The rules must also specify plans with more limited benefits that must be offered, but shall may not require an insurer to provide benefits in excess of those provided under the group policy from which conversion is made.

Sec. 3. 24-A MRSA §2809-A, sub-§12 is enacted to read:

12. This section applies to all policies issued in other states to the extent they cover employees whose primary workplace is in this State.

See title page for effective date.

CHAPTER 669

H.P. 1557 - L.D. 2195

An Act to Revise the Basis for Semiannual Assessment on Financial Institutions

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

Sec. 1. 9-B MRSA §214, sub-§2, as amended by PL 1983, c. 201, § 1, is further amended to read:

2. Semiannual assessment on financial institutions.

A. To provide for the balance of the reasonable expenses incurred to fulfill the bureau's duty pursuant to this Title, including general regulatory costs, overhead, transportation; and general office and administrative expenses, the superintendent shall assess semiannually each financial institution under ~~his the superintendent's~~ supervision at the annual rate of at least ~~7¢ 6¢~~ for each \$1,000 of the total of average deposits and deposit-like instruments ~~assets~~, as defined by the superintendent, ~~or share accounts and deposit-like instruments, excluding deposits of other financial institutions and deposits of the United States Government.~~ The superintendent may raise the minimum assessment rate of ~~7¢ per 6¢~~ for each \$1,000 of the total of average ~~deposits and deposit-like instruments, or share accounts and deposit-like instruments assets~~ by promulgating ~~regulations rules~~ pursuant to section 251 at such time as economic conditions warrant such an increase. In no event ~~shall may~~ the semiannual assessment be less than \$25.

B. For the period ending the last day of June in each year the assessment ~~shall must~~ be made on or before the first day of August next following and for the period ending the last day of December in each year the assessment ~~shall must~~ be made on or before the first day of February next following. The superintendent shall ~~forthwith~~ immediately notify ~~said the~~ financial institution of ~~such the~~ assessment. The assessment so made ~~shall must~~ be paid semiannually to the Treasurer of State within 10 days next following the first days of August and February in each year.

Sec. 2. Application. The change in base and assessment rate from deposits and deposit-like instru-

ments to assets provided for in section 1 of this Act begins with the assessment calculated for the 6-month period ending December 31, 1992.

See title page for effective date.

CHAPTER 670

H.P. 1489 - L.D. 2101

An Act to Authorize the Establishment of Nondepository Trust Companies

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

Sec. 1. 9-B MRSA §131, sub-§17, as enacted by PL 1975, c. 500, §1, is amended to read:

17. Financial institution. "Financial institution" means a trust company, nondepository trust company, savings bank, industrial bank or savings and loan association organized under the laws of this State; and each ~~shall~~ **must** represent a type of institution. As the term "financial institution" is used in Parts 1 and 2 and in chapter 46, it ~~shall include~~ **includes** credit unions organized pursuant to the laws of this State.

Sec. 2. 9-B MRSA §131, sub-§28-A is enacted to read:

28-A. Nondepository trust company. "Nondepository trust company" means any financial institution organized under chapter 31 with powers expressly restricted or otherwise limited to the conduct of general trust business.

Sec. 3. 9-B MRSA §311, as enacted by PL 1975, c. 500, §1, is amended to read:

§311. Applicability of chapter

The provisions of this chapter ~~shall~~ govern the organization and management of trust companies, nondepository trust companies, savings banks and savings and loan associations operating as stock financial institutions.

Sec. 4. 9-B MRSA §343, sub-§3, as repealed and replaced by PL 1977, c. 155, §2, is amended to read:

3. Vote of stockholders, corporators or members. The conversion plan of a trust company, nondepository trust company or a mutual savings bank, as approved by the superintendent, ~~shall~~ **must** be submitted to the stockholders or corporators for their approval at an annual meeting, or at a special meeting; called for that purpose, pursuant to the requirements of section 352, subsection 3

or section 353, subsection 3. Approval ~~shall require~~ **requires** a 2/3 vote of those entitled to vote ~~thereon~~.

The conversion plan of a savings and loan association, as approved by the superintendent, ~~shall~~ **must** be submitted to the members for their approval at an annual meeting, or at a special meeting; called for that purpose, pursuant to the requirements of section 352, subsection 3 or section 353, subsection 3. Approval by a savings and loan association ~~shall require~~ **requires** a majority vote of those entitled to vote. Each holder of a savings account in a savings and loan association ~~shall be~~ **is** entitled to cast one vote for each \$100 or fraction thereof, of the withdrawable value of ~~his the holder's~~ accounts, up to a maximum of 50 votes. A borrowing member of a savings and loan association ~~shall be~~ **is** permitted, as a borrower, to cast one vote and to cast the number of votes to which ~~he the borrowing member~~ may be entitled as the holder of savings accounts. The members who ~~shall be~~ **are** entitled to vote at the meeting of the members to adopt the conversion plan ~~shall~~ **must** be holders of savings accounts and borrowing members of record on the books of the association as of such date as may be prescribed by the superintendent.

See title page for effective date.

CHAPTER 671

H.P. 1699 - L.D. 2379

An Act Making Supplemental Appropriations for Fiscal Year 1991-92

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

Whereas, the 90-day period may not terminate until after the beginning of the next fiscal year; and

Whereas, certain obligations and expenses will become due and payable prior to July 1, 1992; 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:

PART A

Sec. A-1. Supplemental appropriations from General Fund. There are appropriated from the General Fund for the fiscal year ending June 30, 1992, to the departments listed, the following sums.