

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND FIFTEENTH LEGISLATURE

THIRD SPECIAL SESSION

October 1, 1992 to October 6, 1992

FOURTH SPECIAL SESSION

October 16, 1992

ONE HUNDRED AND SIXTEENTH LEGISLATURE

FIRST REGULAR SESSION

December 2, 1992 to July 14, 1993

THE GENERAL EFFECTIVE DATE FOR

FIRST REGULAR SESSION

NON-EMERGENCY LAWS IS

OCTOBER 13, 1993

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
1993

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
FIRST REGULAR SESSION

of the
ONE HUNDRED AND SIXTEENTH LEGISLATURE

1993

be licensed as an insurance agent, broker or consultant in this State or may not act as an insurance agent, broker or consultant in this State. Nothing in this section limits the activity of these organizations with respect to credit life and credit health insurance to the extent authorized by chapter 37, group health insurance to the extent authorized by chapter 35 and group life insurance to the extent authorized by chapter 31. Nothing in this section prohibits a financial institution, credit union, financial institution holding company or a subsidiary or employee of any such entity from selling annuities, arranging for the sale of annuities or sharing commissions in connection with the sale of annuities to the extent authorized by Title 9-B, section 443, subsection 11, provided that such entity has been licensed pursuant to section 1531, subsection 1, paragraph F and if that activity includes the sale of variable annuity contracts, the National Association of Securities Dealers registration form has been submitted to the superintendent as required by the provisions of section 1520, subsection 3. In the event that a financial institution, credit union or financial institution holding company or subsidiary of a financial institution, credit union or financial institution holding company contracts for the sale of annuity products through a licensed 3rd-party agent who is also licensed to sell other insurance products, if the agent sells any insurance product other than annuities, in each instance the agent shall provide a written disclosure to the party purchasing the insurance product. The disclosure must state that in making the sale the agent is acting as an independently licensed insurance agent and not as an agent of the financial institution, credit union, financial institution holding company or subsidiary of a financial institution, credit union or financial institution holding company.

Sec. 4. 24-A MRSA §1514-A, sub-§2-A is enacted to read:

2-A. Notwithstanding the provisions of subsections 1 and 2, an individual may not be affiliated pursuant to section 1518, subsection 5, with a financial institution, credit union, holding company or subsidiary of a financial institution, credit union, holding company or subsidiary of which the individual is a director or trustee nor may an individual, through a 3rd-party arrangement, otherwise sell annuities for or share commissions with an institution. This prohibition applies to an organization licensed as an agent or broker in which the director or trustee has an ownership interest or otherwise controls the organization.

Sec. 5. 24-A MRSA §1517, sub-§6 is enacted to read:

6. A financial institution, credit union, financial institution holding company or a subsidiary of any such entity may be licensed as an insurance agent for the limited purpose of selling annuities as provided in section 1531, subsection 1, paragraph F or for the purpose of sharing commissions in the connection with the sale of

annuities as provided in this Title. An entity that is authorized to sell annuities or to share in commissions from the sale of annuities pursuant to Title 9-B, section 443, subsection 11 is not required to comply with the requirements of subsection 2.

Sec. 6. 24-A MRSA §1531, sub-§1, as amended by PL 1983, c. 298, §§1 and 2, is further amended to read:

1. The superintendent ~~may~~ shall issue to an applicant qualified ~~therefor~~ under this chapter a limited agent's license as follows:

- A. Covering motor vehicle insurance only; ~~or~~
- B. Travel accident and baggage insurance, as provided in section 1521, subsection 3 ~~of section 1521;~~ ~~or~~
- C. Covering only credit life and credit health insurance; ;
- D. Covering only title insurance; ~~or~~
- E. Allowing a director of a domestic mutual assessment fire insurance company to sell property insurance coverage written by that company; ; ~~or~~
- F. Covering only annuities. An individual who is licensed to sell annuities as well as other kinds of insurance under the Maine Insurance Code who is or becomes an employee of a financial institution, credit union, financial institution holding company or a subsidiary of such an entity that becomes licensed pursuant to this subsection, must promptly deliver the license to the superintendent for reissuance without fee or charge as a limited license for the sale of annuities only.

Sec. 7. 24-A MRSA §1875, sub-§2, as enacted by PL 1989, c. 31, §4, is amended to read:

2. This Except for limited licenses for the sale of annuities, this subchapter ~~shall~~ does not apply to persons holding only resident limited licenses under section 1531.

See title page for effective date.

CHAPTER 323

S.P. 353 - L.D. 1067

An Act to Allow the Use of Polystyrene Containers by Public Institutions under Certain Circumstances

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

Sec. 1. 38 MRSA §1652, sub-§1, as enacted by PL 1987, c. 804, is amended to read:

1. Prohibition of polystyrene containers. A food service providing or serving individual portions of food or a beverage at a facility or function of the State or of a political subdivision ~~shall~~ may not provide or serve those portions in or on containers that are composed in whole or in part of polystyrene foam plastic, unless the food service recycles the containers following use.

See title page for effective date.

CHAPTER 324

S.P. 192 - L.D. 628

An Act Concerning School Construction

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

Sec. 1. 5 MRSA §1747, sub-§§1 and 2, as enacted by PL 1989, c. 483, Pt. A, §20, are amended to read:

1. Untimely completion. If, in the opinion of the director, the contractor has not completed in a timely manner a prior construction project or projects and the resulting noncompletion clearly reflects disregard for the completion date and has created a hardship for the owner;

2. Incomplete work. If, in the opinion of the director, that contractor has a history of inability to complete similar work;

Sec. 2. 20-A MRSA §15621, as amended by PL 1991, c. 268, §4, is further amended to read:

§15621. Rulemaking

The commissioner may adopt rules pursuant to the Maine Administrative Procedure Act, Title 5, chapter 375 to implement this chapter. On or before March 1, 1992, the commissioner shall adopt rules for approving the lease-purchase of bus garage and maintenance facilities as defined in section 15603, subsection 6-A and for determining the amount includable for subsidy purposes. On or before February 1, 1994 the commissioner shall adopt rules for approving lease costs for school buildings as defined in section 15603, subsection 8, paragraph B and for determining the amount includable for subsidy purposes.

Sec. 3. 20-A MRSA §15905, sub-§4, as amended by PL 1989, c. 911, §10, is further amended to read:

4. Rules. The state board may adopt or amend rules relating to the approval of school construction projects.

The state board is encouraged to review school construction rules regarding costs per square foot, consider other measures for containing building costs and report on these efforts to the joint standing committee of the Legislature having jurisdiction over education matters during the First Regular Session of the 115th Legislature. On or before February 1, 1994 the state board shall adopt rules for approving movable equipment costs for school construction.

See title page for effective date.

CHAPTER 325

H.P. 1092 - L.D. 1470

An Act to Establish a Risk-sharing Mechanism for Small Group Health Insurance Plans

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

Sec. 1. 24-A MRSA §2808-B, sub-§9 is enacted to read:

9. Reinsurance mechanism. Small group carriers, except nonprofit hospital and medical service organizations, may form a reinsurance pool for the purpose of reinsuring small group risks. This pool may not become operative until the superintendent has approved a plan of operation. The superintendent may approve a plan only after the superintendent determines that the plan is in the public interest and is consistent with this section. The participants in the plan of operation of the pool shall guarantee, without limitation, the solvency of the pool. That guarantee constitutes a permanent financial obligation of each participant on a pro rata basis.

See title page for effective date.

CHAPTER 326

H.P. 955 - L.D. 1284

An Act to Amend the Bill of Rights for Persons with Mental Retardation

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

Sec. 1. 34-B MRSA c. 5, sub-c. IV, first 2 lines are repealed and the following enacted in their place: