

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND SIXTEENTH LEGISLATURE

SECOND REGULAR SESSION

January 5, 1994 to April 14, 1994

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JULY 14, 1994

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

CHAPTER 490

S.P. 550 - L.D. 1574

**An Act to Ensure Appropriate
Resource and Referral Services for
Families Needing Child Care**

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

Whereas, Public Law 1993, chapter 158 established the Child Care Advisory Council to advise the Legislature and the Department of Human Services regarding child care services, including an examination of the role and funding of the resource development centers; and

Whereas, the resource development centers are statutorily due to expire on June 30, 1994; and

Whereas, the existence of the resource development centers needs to be extended in order for the council to adequately examine the centers and prepare and present its findings in its 2nd annual report due January 15, 1995 to the Commissioner of Human Services and the joint standing committee of the Legislature having jurisdiction over human resource matters; and

Whereas, this extension must occur before the expiration of the 90-day period; 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. 22 MRSA §3738, last ¶, as enacted by PL 1993, c. 158, §2, is amended to read:

This section is repealed on June 30, ~~1994~~ 1995.

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

Effective March 9, 1994.

CHAPTER 491

S.P. 556 - L.D. 1592

**An Act to Amend the Maine
Self-Insurance Guarantee
Assessment Base**

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

Sec. 1. 39-A MRSA §403, sub-§8, ¶A, as corrected by RR 1993, c. 1, §141, is amended to read:

A. The bond or security deposit required of an individual self-insurer must be at least an amount determined by the following formula or \$50,000, whichever is larger. The bond or security deposit must be in an amount equal to the loss and loss adjustment expense portion of the annual standard premium for the prospective fiscal coverage period or the outstanding loss reserves minus recoveries from all excess carriers and subrogation reduced to net collections plus 25% of annual standard premiums for the prospective fiscal coverage period, whichever is larger. The percentage factor used to determine the portion of annual standard premium allocated for loss and loss adjustment expenses must be acceptable to the Superintendent of Insurance. For the purposes of this paragraph, "annual standard premium" ~~means the annual premium produced by applying the manual rates, rating rules, excluding any premium discount, and the experience rating procedure approved by the superintendent for the Safety Pool of the residual market mechanism, as described in Title 24-A, section 2386, to the exposure and experience of the individual self-insurer is as defined in section 404, subsection 4.~~

For individual self-insurers who have a net worth equal to or in excess of \$10,000,000; who have had positive net earnings demonstrated by certified statements of financial condition audited by a certified public accountant for at least 3 of the 5 latest fiscal years, including one of the 2 most recent years; and whose mean annual earnings for the 5 latest fiscal years are at least equal to the normal annual premium for the prospective fiscal coverage period, the minimum security deposit or bond must be an amount determined by the formula in this paragraph or as adjusted for applicable levels of working capital funds.

An employer meeting the standards of this paragraph may deduct from the penal value of its surety bond or from the market value of securities deposited an amount not exceeding demon-

strated working capital in such current statement of financial condition; the bond or deposit must be at least \$100,000.

Self-insurers that are unable to meet the preceding standards shall deposit acceptable funds or a surety bond in that amount produced by the formula described in this paragraph written by a corporate surety that meets the qualifications prescribed by rules adopted by the superintendent.

Within 30 days after notice by the superintendent, the self-insurer shall post the deposit indicated. This deadline may be extended by the superintendent for good cause, but in no event may exceed one year from the deadline for compliance as stated in the notice given to the self-insurer.

A bond or security deposit in excess of the amount prescribed by this subsection may be required if the superintendent determines that the self-insurer has experienced a deterioration in financial condition that adversely affects the self-insurer's ability to pay expected losses.

No judgment creditor other than claimants for benefits under this Act has a right to levy upon the self-insurer's assets held in deposit pursuant to this paragraph.

Sec. 2. 39-A MRSA §404, sub-§4, ¶¶E and F, as enacted by PL 1991, c. 885, Pt. A, §8 and affected by §§9 to 11, are amended to read:

E. For the purposes of this subsection, "annual standard premium for an individual self-insurer" means the annual premium produced by applying the manual rates advisory loss costs multiplied by 1.2, rating rules, excluding any premium discount, and experience rating procedure approved by the Superintendent of Insurance for the Safety Pool of the residual market mechanism described in designated workers' compensation advisory organization pursuant to Title 24-A, section 2386 2382-B, to the exposure and experience of the individual self-insurer.

F. For the purposes of this subsection, "annual standard premium for a group self-insurer" means the total annual premium that would have been paid by all members of that group using the manual rates advisory loss costs multiplied by 1.2, rating rules, excluding any premium discount, and experience rating procedure approved by the Superintendent of Insurance for that self-insurer the designated workers' compensation advisory organization pursuant to Title 24-A,

section 2382-B, to the exposure and experience of the self-insurance group members.

Sec. 3. Report. The Bureau of Insurance shall report to the joint standing committee of the Legislature having jurisdiction over banking and insurance matters on the formula for calculating annual standard premium pursuant to the Maine Revised Statutes, Title 39-A, section 404, subsection 4 on or before November 1, 1995.

See title page for effective date.

CHAPTER 492

H.P. 1178 - L.D. 1569

An Act to Amend the Maine Banking Code to Clarify the Definition of Limited-time and Seasonal Branches and to Provide a Definition of In-school Branches

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

Sec. 1. 9-B MRSA §131, sub-§22-A is enacted to read:

22-A. In-school branch. "In-school branch" means a branch office of a financial institution established pursuant to this Title and located on the premises of a school, not including a college or university, that is authorized to be open for the transaction of limited business only for specified hours or for specified days when a school is in session.

Sec. 2. 9-B MRSA §131, sub-§24, as enacted by PL 1975, c. 500, §1, is amended to read:

24. Limited-time branch. "Limited-time branch" means a branch office of a financial institution established pursuant to this Title ~~which that~~ is authorized to be open for the transaction of business ~~only for specified hours or for specified less than 5 business days during a week, which periods shall be excluding Saturday and Sunday, or less than the 5 hours which the main office or a full time branch office of the institution is opened day.~~

Sec. 3. 9-B MRSA §333, as enacted by PL 1975, c. 500, §1, is amended to read:

§333. Limited-time, in-school or seasonal branch offices

1. Directors' approval. A financial institution may transact all or any part of its business in a limited-time, in-school or seasonal branch office, as