

# LAWS

### **OF THE**

# **STATE OF MAINE**

### AS PASSED BY THE

ONE HUNDRED AND SEVENTEENTH LEGISLATURE

SECOND SPECIAL SESSION September 5, 1996 to September 7, 1996

ONE HUNDRED AND EIGHTEENTH LEGISLATURE

FIRST REGULAR SESSION December 4, 1996 to March 27, 1997 FIRST SPECIAL SESSION March 27, 1997 to June 20, 1997

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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 1997

Whereas, the Maine Turnpike Authority currently has no representation on the State Employee Health Insurance Commission; and

Whereas, this legislation gives the Maine Turnpike Authority a labor and a management representative on the State Employee Health Commission; and

Whereas, the State Employee Health Commission is developing a request for proposal for bids on the next contract for the state employee health insurance program; and

Whereas, this legislation is necessary to enable the Maine Turnpike Authority representatives to the State Employee Health Commission to participate in the request for proposal process regarding the contract for the state employee health insurance 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. 5 MRSA §285-A, sub-§2, as amended by PL 1995, c. 97, §1, is further amended to read:

**2.** Membership. The State Employee Health Commission consists of 18 20 labor and management members as follows:

A. One labor member from each bargaining unit recognized under Title 26, chapter 9-B, appointed by the employee organization certified to represent the unit;

B. One labor member from the largest bargaining unit recognized under Title 26, chapter 14, appointed by the employee organization authorized to represent the unit;

C. One labor member appointed by the retiree chapters of the Maine State Employees Association;

<u>C-1.</u> One labor member from Maine Turnpike Authority employees appointed by the employee organization authorized to represent the employees:

D. Four management members appointed by the Commissioner of Administrative and Financial Services;

E. One management member appointed by the Court Administrators;

F. The Executive Director of Health Insurance, ex officio;

G. One member representing retirees appointed by the Maine Association of Retirees;

H. One labor member from the Maine Technical College System faculty or administrative unit, appointed by the employee organization authorized to represent the units; and

I. One management member from the Maine Technical College System appointed by the President of the Maine Technical College System-; and

J. One management member appointed by the Executive Director of the Maine Turnpike Authority.

All appointed or elected members serve at the pleasure of their appointing or electing authorities.

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

Effective April 10, 1997.

#### **CHAPTER 78**

#### S.P. 212 - L.D. 671

#### An Act Concerning Towing in Cable Areas

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

Sec. 1. 12 MRSA §6954, sub-§1, as amended by PL 1983, c. 663, §3, is further amended to read:

1. Violation. It is unlawful to use any operate any watercraft when towing a drag or trawl along the seabed in any waters that are identified or marked as underwater cable or pipeline areas, either as shown on the most recently published United States Government nautical chart, or as shown or described by rule adopted by the commissioner. The commissioner may make rules showing or describing the locations of underwater cables or pipelines which that are not identified on the most recent United States Government nautical charts. A drag or trawl must be lifted out of the water to transit the cable area. Sec. 2. 12 MRSA §6954-A, sub-§1, as amended by PL 1991, c. 784, §9, is further amended to read:

1. Violation. Unless permitted by rules adopted under subsection 1-A, it is unlawful to take scallops by any means or to operate any watercraft when towing a drag or trawl within the following area: starting at the easternmost point on Red Point, Swan's Island; thence in an easterly direction to the southernmost point of the western Sister's Island; thence in a southeasterly direction to the southernmost point of Crow Island; thence in a southerly direction to the northernmost point of Harbor Island, Frenchboro, Long Island; thence southerly to the state ferry terminal located on the eastern side of Lunt's Harbor, Frenchboro, Long Island, and then starting at the westernmost point of Gooseberry Point on Frenchboro, Long Island; westerly to the northeast point of John's Island; thence northwest to the easternmost point of the largest of the Baker Islands; thence northwesterly to the northeastern point of Harbor Island, Swan's Island; thence northerly to Quarry Wharf, Minturn, Swan's Island. A drag or trawl must be lifted out of the water to transit the cable area.

See title page for effective date.

#### **CHAPTER 79**

S.P. 237 - L.D. 806

#### An Act to Include Health Maintenance Organizations in the Bureau of Insurance's Regulatory Assessment

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

**Sec. 1. 24 MRSA §2332, sub-§2,** as enacted by PL 1985, c. 446, §1, is amended to read:

2. Subscription income. Based on the annual statement filed by each nonprofit hospital or medical service organization or health care plan pursuant to section 2306, the superintendent shall ascertain the amount of subscription income received in that year. For the purpose of this section only, "subscription income" means and includes subscription premium and other considerations received by hospital or medical service organizations and health care plans, on account of certificates or contracts covering risks located, resident or to be performed in this State, after deducting subscription or other contract consideration returns. "Subscription income" does not include direct gross written premium used to calculate the assessment, pursuant to Title 24-A, section 237, for a health maintenance organization operated and organized as a division or line of business of a nonprofit hospital or medical or health care service organization.

**Sec. 2. 24-A MRSA §237,** as amended by PL 1995, c. 544, §§1 and 2, is further amended to read:

## §237. Assessment for expense of maintaining the Bureau of Insurance

The expense of maintaining the Bureau of Insurance must be assessed annually by the Superintendent of Insurance against all insurers and health maintenance organizations licensed to do business in this State in proportion to their respective direct gross premium written on business in this State during the year ending December 31st immediately preceding the fiscal year for which assessment is made. The annual assessment upon all insurers must be applied to the budget of the bureau for the fiscal year commencing July 1st. For any biennial period, total assessment must be in an amount not exceeding .002 of total direct premiums written. When the superintendent calculates the amount of the annual assessment, the superintendent must consider, among other factors, the staffing level required to administer the responsibilities of the bureau.

**1. Expense of examination.** The expense of examination of an insurer or of any person regulated by section 222 shall continue continues to be borne by the person examined. The expense of examination consistent with section 228 shall may not be considered when determining the assessment for maintaining the Bureau of Insurance.

2. Direct gross premium. Based on the annual statement filed by each insurer pursuant to section 423 or health maintenance organization pursuant to section 4208, the superintendent shall ascertain the amount of direct gross premium it received in that year. For the purpose of this section only, "direct gross premiums" means and includes policy, membership, annuity considerations and other fees, policy dividends applied in payment for insurance and other considerations for insurance received by insurers or health maintenance organizations, on account of policies or contracts covering subjects of insurance, or risks located, resident or to be performed in this State, after deducting return premiums or dividends actually returned or credited to policyholders.

**3.** Minimum assessment. In any year in which an insurer <u>or health maintenance organization</u> has no direct gross premium writings in this State, or in which direct gross premium written is not sufficient to produce at the rate prescribed an amount equal to or in excess of \$100, the minimum assessment payable by any insurer shall be <u>or health maintenance organization is</u> \$100.