

# MAINE STATE LEGISLATURE

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**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**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**JUNE 26, 1997**

**FIRST SPECIAL SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 19, 1997**

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

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**1997**

cluding renewability, and with section 2736-C;

(b) The superintendent shall find that the replacement is in the best interests of the policyholders; and

(c) The carrier shall provide notice to the policyholder and, if a group policy, to the insureds at least 90 days before replacement; or

H. In renewing a policy in accordance with this section, a carrier may modify the coverage, terms and conditions of the policy consistent with other applicable provisions of state and federal laws as long as the modifications are applied uniformly to all policyholders of the same product. This paragraph does not apply to individual or small group policies.

**4. Cessation of business.** Carriers that provide health plans in the large group or small group markets after the effective date of this section that plan to cease offering coverage in one or both of those markets must comply with the following requirements.

A. Notice of the decision to cease business in that market must be provided to the bureau 3 months before the cessation. If existing contracts are nonrenewed, notice must be provided to the bureau and to the policyholder or contract holder 6 months before nonrenewal.

B. Carriers that cease to write new small group business continue to be governed by section 2808-B with respect to business conducted after that section.

C. Carriers that cease to write new business in that market are prohibited from writing new business in that market for a period of 5 years after the date of termination of the last policy.

#### **§2850-C. Nondiscrimination**

**1. Application.** This section applies to group medical insurance contracts subject to chapter 35 other than contracts designed to cover specific diseases, hospital indemnity or accidental injury only.

**2. Eligibility and premium contributions.** A carrier may not establish rules for eligibility of an individual to enroll, or require an individual to pay a premium or contribution that is greater than that for a similarly situated individual, based on health status, medical condition, claims experience, receipt of health care, medical history, genetic information, evidence of insurability or disability in relation to the individual or a dependent of the individual. Nothing in this section requires a group health plan to provide particular

benefits other than those provided under the terms of the plan or restricts the amount an employer may be charged for coverage. Nothing in this section prohibits establishing limitations or restrictions on the amount, level, extent or nature of the benefits for similarly situated individuals enrolled in the plan. Nothing in this section prohibits a carrier from establishing premium discounts or refunds or modifying applicable copayments or deductibles in return for adherence to programs of health promotion and disease prevention.

#### **§2850-D. Rules**

Rules adopted pursuant to this chapter are routine technical rules as defined in Title 5, chapter 375, subchapter II-A.

**Sec. 31. 24-A MRSA §4222-B, sub-§11** is enacted to read:

**11.** The requirements of sections 2834 and 2834-B apply to health maintenance organizations.

**Sec. 32. Application.** The requirements of this Act apply to policies, contracts and certificates issued or renewed on or after July 1, 1997. For purposes of this Act, all contracts are deemed to be renewed no later than the next yearly anniversary of the contract date.

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

Effective June 10, 1997.

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## CHAPTER 446

S.P. 563 - L.D. 1720

### An Act to Repeal the Requirement That Victualers Be Licensed by a Municipality

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

**Sec. 1. 30-A MRSA §3811, first ¶,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

~~No~~ A person may not be a common innkeeper, victualer or tavernkeeper without a license. A person who violates this section commits a civil violation for which a forfeiture of not more than \$50 may be adjudged.

**Sec. 2. 30-A MRSA §3812, sub-§1,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

**1. Licensing board.** The municipal officers of every municipality shall serve as the licensing board for the issuance of innkeepers', ~~victualers'~~ and tavernkeepers' licenses.

**Sec. 3. 30-A MRSA §3812, sub-§3, ¶A,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

A. The board may license as many persons of good moral character to be innkeepers', ~~victualers~~ and or tavernkeepers in the municipality as ~~they consider~~ it considers necessary.

(1) The license must specify the building in which the business will be conducted.

(2) The board may issue the license under any restrictions and regulations that ~~they consider~~ it considers necessary.

**Sec. 4. 30-A MRSA §3813,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

**§3813. Fee**

Every person licensed as an innkeeper', ~~victualer~~ or tavernkeeper shall pay to the treasurer for the use of the municipality a fee of \$1 and any additional amount established by ordinance or bylaw of the municipality.

See title page for effective date.

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**CHAPTER 447**

**S.P. 649 - L.D. 1871**

**An Act to Authorize the Public Utilities Commission to Establish Reasonable Registration and Reporting Requirements and to Study Market Power Issues Associated with Electric Industry Restructuring**

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

**Whereas,** present law does not require entities to register with the Public Utilities Commission before contracting with consumers to provide electric generation service at some time in the future; and

**Whereas,** the Legislature is currently considering legislation to deregulate the provisions of electric generation service to the State's retail electric consumers, but that activity is not likely to be authorized until some time in the future; and

**Whereas,** certain entities have already begun to market the future provision of generation service to retail consumers in the State in anticipation of the passage of electric restructuring legislation and it is necessary to obtain more information on these activities to protect the State's electric consumers; and

**Whereas,** it is imperative that the Legislature be informed at the earliest possible date about potential market power issues raised by electric industry restructuring; and

**Whereas,** in order for the Legislature to have this information, a market power study must be immediately initiated; 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. 35-A MRSA §3142** is enacted to read:

**§3142. Registration required to market retail electric service**

**1. Registration required.** Unless registered with the commission under this section, an entity may not contract or attempt to contract with any retail electric consumer to provide retail electric service for a time in the future in which entities are permitted to provide competitive retail electric service to retail consumers.

**2. Required information.** Any entity registering with the commission under this section shall provide:

A. The name, mailing address and phone number of the entity;

B. The name, mailing address and phone number of a contact person who is knowledgeable regarding the entity's activities in the State; and

C. The name and mailing address of any consumer in the State with which the entity has contracted to provide retail electric service.

An entity registered under this section promptly shall provide the commission with any additional relevant information requested by the commission, including, but not limited to, copies of any contracts for retail electric service. The commission shall provide for