

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

SECOND REGULAR SESSION
January 2, 2002 to April 25, 2002

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JULY 25, 2002

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
2002

Sec. 2. Retroactivity. This Act applies retroactively to September 21, 2001.

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

Effective March 12, 2002.

CHAPTER 524

H.P. 1475 - L.D. 1976

An Act to Modify Investment-related Insurance Company Provisions of the Maine Insurance Code

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

Sec. 1. 24-A MRSA §901-A, sub-§1, as enacted by PL 2001, c. 72, §7, is repealed and the following enacted in its place:

1. Principles; admitted assets. In evaluating the financial condition of an insurer, the superintendent shall determine which assets may be recognized as admitted assets and shall value the insurer's admitted assets and the insurer's liabilities:

A. In accordance with recognized statutory accounting principles as codified by the National Association of Insurance Commissioners or its successor organization and reflected in the association's accounting practices and procedures manual and valuation of securities manual and their successor publications; and

B. In accordance with any additional accounting practices permitted by the superintendent upon the request of the insurer.

Sec. 2. 24-A MRSA §1106, sub-§4, as amended by PL 1993, c. 313, §21, is further amended to read:

4. Except as otherwise expressly provided, an insurer may not invest more than 10% of its assets in the securities of any one person, other than investments eligible under the following sections:

A. 1107 (public obligations); ~~and~~

B. 1108 (obligations, stock of certain federal and international agencies); ~~and~~

C. 1120 (common trust funds, mutual funds), but as to this exception, only with the prior approval of the superintendent and only in index mutual funds in an amount up to 20% of the insurer's assets.

Sec. 3. 24-A MRSA §1155, sub-§2, as amended by PL 1999, c. 715, §11, is further amended to read:

2. Government obligations; policy loans; other limitations. Except as otherwise expressly provided, an insurer may not invest in or may not incur counter-party exposure to any one person if, after giving effect to those investments and that counter-party exposure, the aggregate of those investments in and that counter-party exposure to that person would exceed 10% of the insurer's admitted assets, ~~other than investments eligible under~~ with the following sections exceptions:

A. Government obligations; pursuant to section 1156, subsection 2, paragraph A; ~~and~~

B. Policy loans; pursuant to section 1158; ~~and~~

C. Index mutual funds, but as to this exception, only with the prior approval of the superintendent and limited to 20% of the insurer's admitted assets.

See title page for effective date.

CHAPTER 525

S.P. 672 - L.D. 1875

An Act to Waive the Competitive Bid Requirement for Lease of Certain Unused State Facilities

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

Sec. 1. 5 MRSA §1782, sub-§3, as enacted by PL 1985, c. 758, §1, is amended to read:

3. Director. "Director" means the Director of the Bureau of ~~Public Improvements~~ General Services.

Sec. 2. 5 MRSA §1783, sub-§3, ¶B is enacted to read:

B. Notwithstanding this subsection, the director may lease an available facility or portion of an available facility to a type of organization described in paragraph A without competitive bidding if:

(1) A total of 2,500 square feet or less in the available facility is unused and therefore available for lease; or

(2) The space leased is limited to 50% or less of the available facility up to a total of 20,000 square feet.

See title page for effective date.

CHAPTER 526

S.P. 666 - L.D. 1870

An Act to Make Minor Substantive Changes to the Tax Laws

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

Sec. 1. 36 MRSA §1752, sub-§17-A, ¶G, as amended by PL 2001, c. 396, §21, is further amended to read:

G. Rental of video ~~tapes~~ media and video equipment;

Sec. 2. 36 MRSA §1752, sub-§23, as repealed and replaced by PL 1989, c. 871, §8, is amended to read:

23. Video media; video equipment. "Video ~~tapes media~~" means prerecorded magnetic tapes used for noncommercial playback of images and sound on video equipment. ~~It also includes, and~~ other electronic audio and video media that provide for noncommercial interactive utilization by a person or persons, including digital video discs. "Video equipment" means equipment used to play ~~back~~ video ~~tapes media~~, equipment used for recording images and sound for subsequent noncommercial playback and equipment used for noncommercial interactive utilization of electronic audio and video media.

Sec. 3. 36 MRSA §4362-A, sub-§§2 and 3, as enacted by PL 1997, c. 458, §3, are amended to read:

2. Applications; forms. An application for a distributor's license must be made on a form prescribed and issued by the assessor ~~and must be accompanied by a fee of \$250~~. Licenses are issued in the form prescribed by the assessor and must contain the name and address of the license holder, the address of the place of business and such other information as the assessor may require for the proper administration of this chapter.

3. Expiration and reissuance. A distributor's license expires one year from the ~~31st~~ 30th day of ~~July~~ June next succeeding the date of issuance unless sooner revoked by the assessor pursuant to subsection 5 or unless the business with respect to which the license was issued is sold, in either of which cases the

holder of the license shall immediately surrender it to the assessor. ~~A license holder may submit an application to the assessor before the expiration date for a renewal of the license for a further period of 2 years, with the fee prescribed by subsection 2.~~

Sec. 4. 36 MRSA §4402, as amended by PL 2001, c. 382, §1, is further amended to read:

§4402. Licenses

Every person engaging in the business of selling tobacco products as a distributor, or as a retailer that brings into this State or causes to be brought into this State tobacco products upon which the tax imposed by this chapter has not been paid, shall obtain a license from the State Tax Assessor before engaging in that business. Every license application must be made on a form prescribed by the assessor and must state the name and address of the applicant, the address of the applicant's principal place of business, and such other information as the assessor may require for the proper administration of this chapter. ~~The application must be accompanied by a fee of \$25, except that a fee is not required for distributors or unclassified importers licensed under chapter 703.~~ A person outside the State who ships or transports tobacco products to retailers in this State shall make application as a distributor and be granted by the assessor a license subject to all the provisions of this chapter and agree, upon applying for a license, to submit that person's books, accounts and records to examination by the bureau during reasonable business hours, and to accept service of process by mail when service is made in any proceeding involving enforcement of this chapter.

Each unclassified importer before importing, receiving or acquiring tobacco products from outside the State shall obtain a license from the State Tax Assessor. There is no fee for that license.

A license issued pursuant to this section expires on ~~July 31st~~ June 30th of each year unless sooner revoked by the State Tax Assessor. The license must be prominently displayed on the premises covered by the license and may not be transferred to any other person.

The State Tax Assessor may revoke or suspend the license or licenses of any person for violation of this chapter applicable to the sale of tobacco products. A license may not be revoked, canceled or suspended until after notice and hearing by the assessor.

Sec. 5. 36 MRSA §5219-R, as amended by PL 1999, c. 708, §48, is further amended to read: