

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

FIRST SPECIAL SESSION
November 13, 2002 to November 14, 2002

ONE HUNDRED AND TWENTY-FIRST LEGISLATURE

FIRST REGULAR SESSION
December 4, 2002 to June 14, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST SPECIAL SESSION
NON-EMERGENCY LAWS IS
FEBRUARY 13, 2003

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 13, 2003

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

Penmor Lithographers
Lewiston, Maine
2003

2. Sources of revenue. The fund is capitalized by surcharges assessed under section 6729. In addition to those revenues, the commissioner may accept and deposit in the fund money from any other source, public or private.

3. Scallop Advisory Council. The commissioner shall consult with the Scallop Advisory Council under section 6729-B on the expenditure of funds under this section.

§6729-B. Scallop Advisory Council

1. Appointment; composition. The Scallop Advisory Council, referred to in this section as "the council," established by Title 5, section 12004-I, subsection 57-F, consists of 13 members. The commissioner shall appoint the members as follows:

- A. Four scallop harvesters who hold current hand fishing scallop licenses;
- B. Four scallop harvesters who hold current scallop draggers licenses;
- C. Two wholesale seafood license holders who deal in scallops;
- D. Two scientists who have expertise in marine resources management; and
- E. One person who is a public member.

The commissioner shall ensure geographic representation in making appointments under paragraphs A and B.

2. Term. A member serves for a 2-year term, except that a vacancy must be filled by the commissioner for the unexpired portion of a term. When a vacancy occurs, the commissioner shall fill the vacancy by appointing a member from the same category of members listed in subsection 1 as the member who vacated the council. A member continues to serve until the member's successor is appointed.

3. Purpose. The council shall make recommendations to the commissioner concerning:

- A. Research projects and grants made by the Scallop Research Fund. The council may seek advice from scientists who have expertise in marine resources management in determining the research needs for the scallop fishery; and
- B. Other matters of interest to the scallop fishery.

4. Compensation. Members are entitled to expenses according to Title 5, chapter 379.

5. Chair and officers. The council shall choose annually one of its members to serve as chair for a one-year term. The council may select other officers and designate their duties.

6. Meetings. The council shall meet at least once a year. It may also meet at other times at the call of the chair or the chair's designee or at the call of the commissioner or the commissioner's designee.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

MARINE RESOURCES, DEPARTMENT OF

Bureau of Resource Management

Initiative: Allocates funds for the Scallop Research Fund.

Other Special Revenue Funds	2003-04	2004-05
All Other	\$75,375	\$100,500
Other Special		
Revenue Funds Total	\$75,375	\$100,500

See title page for effective date.

CHAPTER 320

H.P. 1035 - L.D. 1413

An Act To Clarify Maine Law Relating to Viatical Settlements

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

Sec. 1. 24-A MRSA §6809, sub-§4, as enacted by PL 1997, c. 430, §1 and affected by §2, is amended to read:

4. Transfer of insurance policy. Immediately upon receipt from the viator of documents to effect the transfer of the insurance policy, the viatical settlement provider shall pay the proceeds of the settlement to an escrow or trust account managed by an independent trustee or escrow agent in a state-chartered or federally chartered financial institution ~~that is a member of the federal reserve system,~~ whose deposits are insured by the Federal Deposit Insurance Corporation or its successor, pending acknowledgment of the transfer by the issuer of the policy. The trustee or escrow agent shall transfer the proceeds due to the viator or otherwise according to the viator's written instructions immediately upon receipt of acknowledgment of the transfer from the insurer.

Sec. 2. Review of life settlement contracts. The Superintendent of Insurance shall conduct the following review and submit legislation as follows.

1. The superintendent shall convene a working group that includes representatives of the Bureau of Insurance within the Department of Professional and Financial Regulation, insurance companies, persons or companies or their trade or professional organizations licensed in this or other jurisdictions to do the business of life settlements, insurance producers and the Office of Policy and Legal Analysis to review current state law, federal law and other state laws and regulations relating to life settlements. The working group shall develop recommended legislation to govern and regulate life settlements under the Maine Revised Statutes, Title 24-A, chapter 85 relating to viatical settlements.

2. The superintendent shall submit legislation based on the recommendations of the working group to the Second Regular Session of the 121st Legislature not later than January 1, 2004 to authorize the use of life settlement contracts and to make other necessary changes to the laws regulating viatical settlement contracts.

See title page for effective date.

CHAPTER 321

S.P. 476 - L.D. 1438

An Act To Require Disclosure of Benefit Offsets under Disability Insurance Policies

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

Sec. 1. 24-A MRSA §2717-A is enacted to read:

§2717-A. Disclosure of benefit offsets to applicants

At or before the time of application for any policy subject to this chapter that provides disability income benefits, the insurer shall provide the applicant with a clear and conspicuous written notice, on the application form or in a separate document, that accurately explains to the applicant all types of other sources of income that may result in a reduction of the benefits payable under the policy.

Sec. 2. 24-A MRSA §2829-A is enacted to read:

§2829-A. Disclosure of benefit offsets to enrollees

For any policy or contract subject to this chapter that provides disability income benefits, if the benefits under that policy or contract are subject to reduction due to other sources of income, then the insurer shall include in any written enrollment material and

certificate of coverage developed by the insurer that is intended to be distributed to persons eligible for coverage under the policy or contract a clear and conspicuous notice that accurately explains all types of other sources of income that may result in a reduction of the benefits payable under the policy or contract. The notice requirement under this section does not apply to an advertisement intended for the general public.

See title page for effective date.

CHAPTER 322

S.P. 512 - L.D. 1534

An Act To Amend the Maine Banking Laws

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

Sec. 1. 9-B MRSA §131, sub-§3, as amended by PL 1997, c. 398, Pt. A, §1, is further amended to read:

3. Branch. "Branch" means any office of a financial institution, including a credit union, where the business of banking is conducted other than the institution's main office. A branch includes an office or vehicle that is not permanent and that is capable of being moved or transferred from one location to another.

Sec. 2. 9-B MRSA §131, sub-§17, as amended by PL 1997, c. 398, Pt. A, §8, is further amended to read:

17. Financial institution. "Financial institution" means a universal bank or limited purpose bank organized under the provisions of this Title, and a trust company, nondepository trust company, savings bank, industrial bank or savings and loan association organized under the prior laws of this State. As the term "financial institution" is used in Parts 1 and 2 and in chapter 46, it includes credit unions organized pursuant to the laws of this State. When the term "financial institution" is used in Parts 1 and 2 and sections 422-A, 427, 428, 429 and chapter 46, the term also includes a credit union organized pursuant to the laws of this State.

Sec. 3. 9-B MRSA §131, sub-§23-A, as enacted by PL 1997, c. 398, Pt. A, §13, is amended to read:

23-A. Investor. "Investor" means any person who has an ownership interest in a financial institution and is entitled to vote under the institution's organizational documents. "Investor" does not include a