

# 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.**

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**Penmor Lithographers**  
**Lewiston, Maine**  
**2003**

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.

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## 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.

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## 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