MAINE STATE LEGISLATURE

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LAWS

OF THE

STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTY-SECOND LEGISLATURE

FIRST REGULAR SESSION December 1, 2004 to March 30, 2005

FIRST SPECIAL SESSION April 4, 2005 to June 18, 2005

THE GENERAL EFFECTIVE DATE FOR FIRST REGULAR SESSION NON-EMERGENCY LAWS IS JUNE 29, 2005

THE GENERAL EFFECTIVE DATE FOR FIRST SPECIAL SESSION NON-EMERGENCY LAWS IS SEPTEMBER 17, 2005

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

> Penmor Lithographers Lewiston, Maine 2005

may accrue interest and be invested in a manner permitted by law.

4. Revolving fund. The fund is a nonlapsing, revolving fund.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

JUDICIAL DEPARTMENT

Courts - Supreme, Superior, District and Administrative 0063

Initiative: Provides a base allocation in the event that additional funding is collected to support the activities of the Courthouse Security Fund.

OTHER SPECIAL REVENUE

FUNDS	2005-06	2006-07
All Other	\$500	\$0
OTHER SPECIAL REVENUE FUNDS TOTAL	\$500	\$0

See title page for effective date.

CHAPTER 114

S.P. 167 - L.D. 541

An Act To Amend the Laws Related to Cancellation and Nonrenewal of Insurance

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

- **Sec. 1. 24-A MRSA §2912, sub-§2,** as amended by PL 1977, c. 403, §1, is further amended to read:
- **2. Renewal or renew.** "Renewal" or "to renew" means the issuance and delivery by an insurer of a policy replacing at the end of the previous policy term a policy previously issued and delivered by the same insurer, or the issuance and delivery of a certificate or notice extending the coverage of the policy beyond its original term. Any renewal policy, other than a replacement policy for an unfinished term, with a term of one year or less shall be is considered written, for the purposes of this subchapter, for a term of one year. For purposes of this subchapter, the transfer of a policy from an insurer to an affiliate is considered a policy renewal.

Any policy written for a term longer than one year or with no fixed expiration date shall be <u>is</u> considered written for successive policy terms of one year.

Sec. 2. 24-A MRSA §2915, as amended by PL 1989, c. 172, §4, is further amended to read:

§2915. Delivery of notice

No A notice of cancellation of a policy shall be is not effective unless received by the named insured at least 20 days prior to the effective date of cancellation, or, when the cancellation is for nonpayment of premium, at least 10 days prior to the effective date of cancellation. In the event the policy is an automobile physical damage policy, like notice of cancellation shall must also be given to any other person mentioned in the loss payable clause. A postal service certificate of mailing to the named insured at the insured's last known address shall be is conclusive proof of receipt on the 5th calendar day after mailing.

Except for a policy which that has been in effect for less than 60 days at the time notice of cancellation is received by the named insured, the reason for cancellation shall must accompany the notice, together with a notice of the right to apply for a hearing before the Superintendent of Insurance within 30 days, as provided in section 2920.

Prior to the date of renewal of a policy that has been transferred by an insurer to an affiliate, the insured must receive notice of any changes to the terms of the policy that are less favorable to the insured.

- **Sec. 3. 24-A MRSA §3007, sub-§1, ¶E,** as enacted by PL 1985, c. 671, §2, is amended to read:
 - E. "Renewal" or "to renew" means the issuance of, or the offer to issue by an insurer or an affiliate of an insurer, a policy succeeding a policy previously issued and delivered by the same insurer or an affiliated insurer or the issuance of a certificate or notice extending the terms of an existing policy for a specified period beyond its expiration date. For purposes of this section, the transfer of a policy from an insurer to an affiliate is considered a policy renewal.
- **Sec. 4. 24-A MRSA §3007, sub-§5, ¶B,** as enacted by PL 1985, c. 671, §2, is amended to read:
 - B. Nonrenewal subject to this section shall is not be effective prior to 30 days after receipt of notice written by the insured. Prior to the date of renewal of a policy that has been transferred by an insurer to an affiliate, the insured must receive notice of any changes to the terms of the policy that are less favorable to the insured.
- **Sec. 5. 24-A MRSA §3050,** as amended by PL 1989, c. 172, §7, is further amended to read:

§3050. Delivery of notice

No \underline{A} notice of cancellation of a policy shall be is not effective unless received by the named insured at

least 20 days prior to the effective date of cancellation, or, when the cancellation is for nonpayment of premium, at least 10 days prior to the effective date of cancellation. A postal service certificate of mailing to the named insured at the insured's last known address shall be is conclusive proof of receipt on the 5th calendar day after mailing.

Except for a policy which that has been in effect for less than 60 days at the time notice of cancellation is received by the named insured, the reason for cancellation shall must accompany the notice, together with a notice of the right to apply for a hearing before the Superintendent of Insurance within 30 days, as provided in section 3054.

Prior to the date of renewal of a policy that has been transferred by an insurer to an affiliate, the insured must receive notice of any changes to the terms of the policy that are less favorable to the insured.

- **Sec. 6. 24-A MRSA §3051, sub-§1,** as amended by PL 2003, c. 671, Pt. A, §8, is further amended to read:
- 1. If the insurer has manifested its willingness to renew; ΘF
- **Sec. 7. 24-A MRSA §3051, sub-§2,** as enacted by PL 1973, c. 239, is amended to read:
- **2.** If the insured fails to pay any premium due or any advance premium required by the insurer for renewal-; or
- Sec. 8. 24-A MRSA §3051, sub-§3 is enacted to read:
- 3. If the insured has transferred a policy to an affiliate.

See title page for effective date.

CHAPTER 115

H.P. 353 - L.D. 478

An Act To Cap Tuition Rates by Schools in the Unorganized Territory

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

- **Sec. 1. 20-A MRSA §3304, sub-§1-A,** as enacted by PL 1997, c. 535, §2, is amended to read:
- 1-A. Charges. The per pupil tuition charge must be an amount equal to 125% of the state average expenditure per elementary pupil during the preceding year, as determined annually by the commissioner

pursuant to section 5804, or the receiving school administrative unit's actual expenditure per elementary pupil for the preceding year as calculated by the commissioner, whichever is less.

See title page for effective date.

CHAPTER 116

H.P. 200 - L.D. 261

An Act Concerning Significant Wildlife Habitat and Wetlands of Special Significance

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

- **Sec. 1. 38 MRSA §480-B, sub-§2-B,** as enacted by PL 1989, c. 838, §3, is amended to read:
- **2-B. Forest management activities.** "Forest management activities" means timber stand improvement, timber harvesting <u>activities</u>, forest products harvesting and regeneration of forest stands. For the purposes of this definition, "timber harvesting activities" means timber harvesting, the construction and maintenance of roads used primarily for timber harvesting and other activities conducted to facilitate timber harvesting. For the purposes of this definition, "timber harvesting" means the cutting or removal of timber for the primary purpose of selling or processing forest products.
- Sec. 2. 38 MRSA §480-B, sub-§10, as amended by PL 1999, c. 401, Pt. BB, §17, is repealed and the following enacted in its place:
- **10. Significant wildlife habitat.** "Significant wildlife habitat" means:
 - A. The following areas to the extent that they have been mapped by the Department of Inland Fisheries and Wildlife or are within any other protected natural resource: habitat, as defined by the Department of Inland Fisheries and Wildlife, for species appearing on the official state or federal list of endangered or threatened animal species; high and moderate value deer wintering areas and travel corridors as defined by the Department of Inland Fisheries and Wildlife; seabird nesting islands as defined by the Department of Inland Fisheries and Wildlife; and critical spawning and nursery areas for Atlantic salmon as defined by the Atlantic Salmon Commission; and
 - B. Except for solely forest management activities, for which "significant wildlife habitat" is as defined and mapped in accordance with section