

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND TWELFTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON BUSINESS AND COMMERCE
BILL SUMMARIES



JULY 1985

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ONE HUNDRED AND TWELFTH LEGISLATURE
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BILL SUMMARIES
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This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees of the Maine Legislature, covering the First Regular Session of the 112th Legislature. The summaries are arranged by LD number and indexed separately by committee.

SUMMARY:

LD 1487 makes several changes to the Code. It establishes a uniform period for record retention for all creditors and lessors, allows mortgage companies to lend on property other than principal residences, and clarifies consumer remedies.

Committee amendment A (S-166) adds several provisions. A creditor providing credit insurance on open-end credit must inform the consumer at least annually of his right to cancel. Creditors must send a Notice of Right to Cure at least once annually if consumer again goes into default and send cure notices to the consumer's last known address rather than his residence. The period in which consumers may cure a default is shortened by 6 days.

LD: 1488 AN ACT TO AMEND THE MAINE INSURANCE GUARANTY ASSOCIATION ACT

DANTON
ALIBERTI
TELOW

OTP HOUSE Enacted
SENATE Enacted
GOV SIGNED

PUBLIC
CH # 279

SUMMARY:

The bill makes several changes to the Insurance Guarantee Association Act which governs the association of insurers which would become obligated to pay claims if a member insurer becomes insolvent. The major change is increasing the maximum obligation from \$150,000 to \$300,000.

LD: 1489 AN ACT AUTHORIZING MUTUAL FINANCIAL INSTITUTIONS TO REORGANIZE INTO MUTUAL HOLDING COMPANIES

TRAFTON

HOUSE Ref'd to Committee
SENATE Ref'd to Committee
GOV

SUMMARY:

The title explains the bill's purpose. Because of committee concerns about allowing mutuals to expand into new areas, when they historically have functioned in a unique manner, this bill has been held over to the Second Regular Session.

LD: 1498 AN ACT RELATING TO PREARRANGED FUNERALS OR BURIAL PLANS

GAUVREAU
HANDY
NICKERSON
WARREN

ND: 587

HOUSE Enacted
SENATE Enacted
GOV SIGNED

PUBLIC
CH # 240

SUMMARY:

Money paid to a funeral home operator for a prearranged funeral plan must be deposited in a trust account within 10 days. Within 30 days thereafter the financial institution must confirm that the money has been deposited. The original agreement must be in writing and a copy furnished to the payor by the payee when the agreement is executed. The agreement shall clearly state terms providing for disposition of any interest earned on the funds.

This law is intended to help detect a funeral home operator who disregards the terms of a mortuary trust.

LD: 1500 AN ACT TO REVISE THE MAINE SECURITIES ACT

MURRAY
NADEAU G G
SEWALL

OTP-AM	HOUSE	Enacted				PUBLIC
	SENATE	Enacted				C. # 400
	GOV	SIGNED				
H-333	CA		H	S		
H-368	HA	BRANNIGAN	H	S		

SUMMARY:

The bill replaces the previous law with a modern Securities Act. The new act retains the basic elements of current antifraud provisions, registration of securities and licensing of broker-dealers and agents. It now requires licensing of investment advisers. The Committee's amendment extends an exemption to the NASDAQ-NMS once the Supt. of Banking finds that the NASD corporate governance procedures have been approved by the SEC. To ensure public and press access, all information is made public except to the extent the SEC would consider it nonpublic. House Amendment A (H-368) corrects the appropriation in the bill.

LD: 1501 AN ACT ESTABLISHING ASSESSMENTS TO DEFRAY THE EXPENSE OF MAINTAINING THE BUREAU OF INSURANCE

CLARK N
BRANNIGAN
ARMSTRONG

OTP-AM	HOUSE	Enacted				PUBLIC
	SENATE	Enacted				C. # 446
	GOV	SIGNED				
H-357	CA	BRANNIGAN				
H-411	CA	BRANNIGAN				
H-458	CA	BRANNIGAN	H	S		
S-192	CA		H	S		

SUMMARY:

The bill provides dedicated funding for the Bureau of Insurance through an annual assessment on insurers, self-insurers and non-profit service organizations doing business in Maine. Committee amendment A (S-192) and House amendment C (H-458) to that amendment require the Supt. of