

# MAINE STATE LEGISLATURE

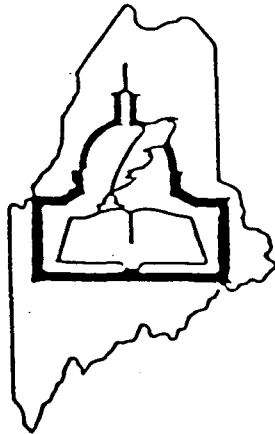
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STATE OF MAINE  
ONE HUNDRED AND TWELFTH LEGISLATURE  
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE ON  
BUSINESS AND COMMERCE  
BILL SUMMARY



MAY 1986

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ONE HUNDRED AND TWELFTH LEGISLATURE  
SECOND REGULAR SESSION

JOINT STANDING COMMITTEE  
BILL SUMMARIES  
MAY 1986

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature, covering the Second Regular Session of the 112th Legislature. The summaries are arranged by LD number under each committee.

All Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "CA" if it is a committee amendment. If the amendment was adopted in the House, the letter H appears after the sponsor. If it was adopted in the Senate, the letter S appears.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-AM	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

SUMMARY: The bill requires certified public accountants to notify the board of directors of the insurer and the Superintendent of Insurance of an adverse financial condition if the insurer has materially mistated its financial condition in the annual statement. The bill also requires insurers subject to filing requirements to make the working papers of accountants available to the Superintendent of Insurance for review.

The majority report (S-422) deletes the provision in the bill giving access to working papers.

LD 1929 AN ACT TO CLARIFY CERTAIN PROVISIONS OF A PUBLICLY-HELD FINANCIAL INSTITUTION ND LD 2225

Sponsor: BRANNIGAN  
Committee Report: OTP-ND

SUMMARY: See LD 2225.

LD 1962 AN ACT TO PROMOTE FAIRNESS FOR HOME BUYERS LVWD

Sponsor: DIAMOND, J., Cote, Rydell, Bustin  
Committee Report: LVWD

SUMMARY: The bill provides that when an escrow account is required as a condition to the making of a mortgage, the mortgagee must pay interest on the account at a fair market rate.

LD 1981 AN ACT TO CREATE A MAINE CODE GOVERNING THE SALE OF CERTAIN COMMODITIES ND LD 2196

Sponsor: BUSTIN, Aliberti, Martin, H., Telow  
Committee Report: OTP-ND

SUMMARY: See LD 2196.

LD 1990 AN ACT RELATING TO THE UPDATE OF THE PHARMACY LAWS LVWD

Sponsor: PERKINS, Bustin, Brannigan, Maybury  
Committee Report: LVWD

SUMMARY: The bill is based in part on the Model State Pharmacy Act. The bill requires that nonprescription drugs be sold only in pharmacies. The bill requires all "drug outlets", as defined in the bill, to register with the Maine Pharmacy Commission. "Drug outlet" is defined broadly to include retail stores, clinics, and convalescent homes as well as manufacturers and wholesalers. The bill also gives broad enforcement and prosecutorial powers to the Commission.

LD           AN ACT TO REPEAL THE MAINE TAKEOVER BID                   PL 1985  
2039       DISCLOSURE LAW   c. 619

Sponsor: BRANNIGAN, Stevens, P., Telow, Bustin  
Committee Report: OTP

SUMMARY: The bill repeals the Maine Takeover Bid Disclosure Law (13 MRSA c. 23) because current law may be unconstitutional. This conclusion is based upon the outcome of Edgar v. Mite Corporation, 102 S. Ct. 2629(1982).

LD           AN ACT TO ENABLE THE AVAILABILITY OF CREDIT               LVWD  
2043       THROUGH FINANCE COMPANIES IN THE STATE

Sponsor: MCBREAIRTY  
Committee Report: LVWD

SUMMARY: The bill removes a provision in current law which requires that a loan made at a rate greater than 18% must be repaid within 37 months or the rate drops to 8%. The bill allows negotiation by the parties of a maturity date. The bill permits a loan to be refinanced at a similar rate contrary to current law. This issue will be studied further by the Bureau of Consumer Credit Protection and reconsidered before the start of the 1st Regular Session of the 113th Legislature.

LD           AN ACT PERTAINING TO THE ESTABLISHMENT OF               LVWD  
2053       MANDATORY RISK-SHARING PLANS

Sponsor: Business and Commerce Committee  
Committee Report: LVWD