

# MAINE STATE LEGISLATURE

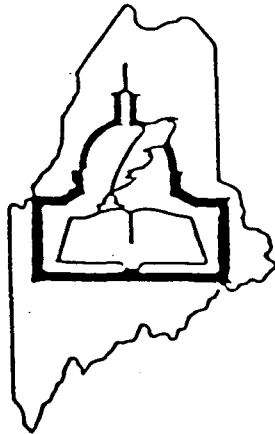
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STATE OF MAINE  
ONE HUNDRED AND TWELFTH LEGISLATURE  
SECOND REGULAR SESSION

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 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

SUMMARY: The bill resulted from a study by the Business and Commerce Committee. The bill gives the Superintendent of Insurance the authority to establish a mandatory risk-sharing plan after notice and hearing whenever liability insurance is not available in the voluntary market and the public interest requires the availability. The bill applies to liability insurance for day care, liquor, municipalities and public entities. Any plan established is limited in duration to one year.

LD AN ACT RELATING TO CANCELLATION AND NONRENEWAL PL 1985  
2054 OF PROPERTY AND CASUALTY INSURANCE CONTRACTS c. 671

Sponsor: Business and Commerce Committee  
Committee Report: OTP-AM

H-612 CA H S

SUMMARY: The bill resulted from a study by the Business and Commerce Committee. Under the bill, cancellation of policies before the expiration date are not allowed except under specified circumstances, such as nonpayment of premium, fraud, substantial change in the risk, insolvency or breach of contract or duties. Notice of nonrenewal or permitted cancellation is required. The bill applies only to contracts written after the effective date of the section.

The Committee Amendment (H-612) requires that cancellation provisions apply to all contracts currently written as well as future ones. Nonrenewal provisions are to go into effect 30 days after the effective date of the bill.

LD AN ACT TO PERMIT MOBILE BANKING IN RURAL MAINE PL 1985  
2055 c. 577

Sponsor: MARTIN, H., Simpson, Rotondi, Matthews, Z.  
Committee Report: New Draft of LD 1727

SUMMARY: The original bill, LD 1727, authorizes the use of mobile banks and authorizes the Superintendent of Banking to adopt rules regarding the operation of a mobile unit.