

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
BANKING AND INSURANCE
BILL SUMMARY



JUNE 1987

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ONE HUNDRED AND THIRTEENTH LEGISLATURE
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JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

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. The summaries are arranged by LD number under each committee.

All Adopted 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 "COMMITTEE" if it is a committee amendment.

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

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

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-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

LD
208

AN ACT TO AMEND THE MAINE BUSINESS CORPORATION
ACT AND THE MAINE NONPROFIT CORPORATION ACT TO
ENABLE MAINE STOCK AND NONSTOCK CORPORATIONS TO
ADOPT LIMITS ON DIRECTOR LIABILITY AND TO
MODERNIZE INDEMNIFICATION PROVISIONS

CARRY-OVER
EMERGENCY

Sponsor: MARTIN, J., Perkins, Paradis, E., Pray
Committee Report: CARRY-OVER

SUMMARY: This bill allows a corporation to have a provision in the articles of incorporation which limits or eliminates the personal liability of a director to the corporation and its shareholders or to the nonprofit corporation and its members in certain circumstances. This provision may not be effective for acts or omissions which are dishonest or intentionally in violation of law or for acts which result in an improper personal benefit to the director.

The bill also changes the standard when a corporation may indemnify directors, officers, employees or agents. Current law prohibits indemnification if a person has not acted in good faith. This bill prohibits indemnification if a person has not acted honestly. This change in standard applies both to nonprofit and for-profit corporations.

This bill is being carried over to the 2nd Regular Session of the 113th Legislature and has been referred to the Commission to Examine Problems of Tort Litigation and Liability Insurance in Maine for their consideration.

LD
209

AN ACT TO REPEAL THE SUNSET PROVISION OF THE
SOCIAL WORKERS FREEDOM OF CHOICE LAW

PL 1987
c. 80

Sponsor: BUSTIN, Gill, Taylor, Clark, H.
Committee Report: OTP-AM
Amendments Adopted:
S-20 COMMITTEE

SUMMARY: This bill repeals the January 1, 1988, expiration date of the law which allows insurance reimbursement for services provided by licensed social workers and psychiatric nurses. The law enacted in 1983 included the 1988 sunset provision.

Committee Amendment A (S-20) adds a similar section which was inadvertently left out of the original bill.