

# 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  
FIRST REGULAR SESSION

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 996** AN ACT TO ALLOW ORGANIZATIONS TO SELL INSURANCE TO A LIMITED MEMBERSHIP LVWD

Sponsor: BRANNIGAN, Bustin, Michaud, Racine  
Committee Report: LVWD

SUMMARY: This bill allows insurers of mass marketing plans to file underwriting rules with the Superintendent of Insurance and to accept only those who are eligible under the rules. Current law requires that plans which are sold to members of a group come under laws relating to mass marketing of casualty and property insurance found in 24-A MRSA chapter 40. Under current law these plans must be made available to all members regardless of whether the members are good or bad risks.

**LD 1030** AN ACT TO CHANGE THE MANNER IN WHICH THE STATE SEEKS ASSURANCE OF MOTORISTS' FINANCIAL RESPONSIBILITY LVWD

Sponsor: HANDY, Joseph, Rydell, Thistle  
Committee Report: LVWD

SUMMARY: This bill requires every operator of a motor vehicle to obtain liability insurance and show proof of insurance at the time of registration. A first violation of this provision may result in a fine of \$100 to \$500 and suspension of license. The amount of the fine and length of suspension will increase with each subsequent violation. Every operator is required to have a certificate of liability insurance in his or her immediate possession and is required to display this certificate upon the request of a law enforcement officer.

This was one of 5 bills introduced requiring motor vehicle liability insurance.

See also LD 1798.

**LD 1096** AN ACT TO REQUIRE WORKERS' COMPENSATION INSURANCE PROVIDERS TO PUBLICLY POST RATES ANNUALLY BY JANUARY 1ST LVWD

Sponsor: MATTHEWS, Z., Theriault  
Committee Report: LVWD

SUMMARY: This bill requires every insurance company that issues workers' compensation insurance policies to file annually a list of projected rates for the ensuing year with the Maine Chamber of Commerce, the Department of Professional and Financial Regulation, and the Workers' Compensation Commission.