

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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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

The new draft requires trustee groups and association groups to file certain information with the Superintendent of Insurance prior to the effectuation of insurance to assure that they are bona fide entities rather than groups formed solely for purposes of evading insurance regulation. So-called "other groups," those not fitting within specific statutory categories, will be required to obtain regulatory approval of their policy forms prior to sales of insurance covering Maine residents.

The new draft clarifies the standards under which the superintendent will review policies proposed by so-called "other groups." The "public interest" standard is replaced by language requiring "other groups" to be bona fide entities formed for purposes other than procurement of insurance.

LD AN ACT TO AMEND THE MAINE PRODUCT LIABILITY PL 1987
1858 RISK RETENTION ACT c. 481

Sponsor: BRANNIGAN, Collins, Davis, Erwin, P.
Committee Report: New Draft of LD 1559

SUMMARY: The original bill (LD 1559) amends the State law to coincide with federal law changes in the Product Liability Risk Retention Act.

The new draft incorporates a number of clarifying changes to the bill. Changes include the amendment of the definition of "plan of operation or feasibility study" and "risk retention group," clarification of filing and tax responsibilities of risk retention and purchasing groups, amendment of the provision relating to guaranty fund membership and the addition of disclosure requirements for purchasing groups.

LD AN ACT TO AFFORD CONSUMER PROTECTION IN PL 1987
1859 RETIREMENT COMMUNITIES WHICH OFFER CONTINUING c. 482
CARE

Sponsor: CLARK, N., Gauvreau, Hickey, Diamond
Committee Report: New Draft of LD 672

SUMMARY: The original bill (LD 672) regulates continuing care retirement communities through the Department of Human Services. Continuing care retirement communities (CCRC's) are required to apply for a certificate of authority. Finances and contracts are regulated under this bill.