

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
113TH LEGISLATURE  
SECOND REGULAR SESSION



BILL SUMMARY  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

MAY 1988

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\* Denotes Chair

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**ONE HUNDRED AND THIRTEENTH LEGISLATURE  
FIRST & SECOND SPECIAL SESSIONS  
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE  
BILL SUMMARIES  
MAY 1988**

*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 for floor amendments. Final action is listed to the right of the title. If final House and Senate action differ, both are listed. Committee Reports and Floor Action are indicated as follows::*

<b>OTP</b>	<b>Ought to Pass</b>
<b>OTP-ND</b>	<b>Ought to Pass in New Draft</b>
<b>OTP-ND-NT</b>	<b>Ought to Pass in New Draft, New Title</b>
<b>OTP-A</b>	<b>Ought to Pass as Amended</b>
<b>ONTP</b>	<b>Ought Not to Pass</b>
<b>LVWD</b>	<b>Leave to Withdraw</b>
<b>INDEF PP</b>	<b>Indefinitely Postponed</b>

*Each individual summary was prepared by the analyst assigned, as noted for each committee. But, this document was produced by the efforts of all the office staff, including Secretaries: Charlene Brann, Janet Jean, Earl Knox, Valarie Parlin; Research Assistant Hartley Palleschi. Finally, Secretary Laurette Knox, Legal Assistant Carolyn Chick, and Research Assistant Robert Dunn had special responsibilities in the preparation of the overall document.*

*Please give us your suggestions and comments on these summaries and tell us of any inaccuracies.*

This bill also requires the Superintendent of Insurance to study the Senior Health Insurance Benefit Advisors (SHIBA) programs currently in operation in other states and to devise a strategy for implementing a similar program in this State. The superintendent is to report back to the Legislature at the First Regular Session of the 114th Legislature.

This bill was referred to the Taxation Committee after the Banking and Insurance Committee worked on the parts related to insurance and made suggestions for amendments to the bill.

The Taxation Committee's report was divided: Majority ONTP and minority OTP. The House adopted the majority ONTP report. The Senate adopted the OTP report and amended it with S-432.

Senate Amendment A (S-432) revises the definition of long term care to provide more legislative standards for policies that will qualify for the tax benefits. A committee of conference could not agree, and the bill was not enacted.

**LD 2495** An Act Pertaining to the Establishment of Market Assistance Plans **PUBLIC 627**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
STEVENS P RYDELL BUSTIN		

SUMMARY  
New Draft Of LD 380

The original bill (LD 380) allows the Superintendent of Insurance to establish a mandatory risk-sharing plan, after notice and hearing, if insurance for foster care liability and respite care liability is not readily available in the voluntary market and the public interest requires that availability. The bill requires participation by all insurers authorized in this State to write the kinds of insurance covered by any risk-sharing plan which is established. No plan which is established under this bill would be allowed to continue for more than a year without another finding by the Superintendent, after notice and hearing, that the insurance is not available and the public requires it.

This bill was carried over from the 1st Regular Session to the 2nd Regular Session of the 113th Legislature and was referred to the Commission to Examine Problems of Tort Litigation and Liability Insurance in Maine for their consideration.

The new draft deletes all provisions for a joint underwriting association and replaces it with a provision for a voluntary market assistance plan. The new draft defines a market assistance plan and lists the duties of the superintendent. The new draft requires the superintendent to report to the Joint Standing Committee on Banking and Insurance yearly regarding availability of insurance.