

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
114TH LEGISLATURE  
FIRST REGULAR SESSION



BILL SUMMARY  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

JULY 1989

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Sen. Donald F. Collins

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\* Denotes Chair

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ONE HUNDRED AND FOURTEENTH LEGISLATURE  
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE  
BILL SUMMARIES  
AUGUST 1989

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 for 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 abbreviated as follows:

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

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 Research Assistant Barbara McGinn, and secretaries: Charlene Brann, and Valarie Parlin, and especially Laurette Knox who coordinated preparation of the overall document.

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

The committee amendment (H-259) increases the minimum surplus requirements and provides that a liquid cash reserve must be maintained for incurred but not reported claims only if the HMO reports liability for those amounts as long-term debt in its financial statements.

The Senate amendment (S-197) changes the section number of a new section added by the bill, because of a conflict.

**LD 329**      **An Act to Insure Maintenance of Financial Responsibility by  
All Motorists**

**PUBLIC 290**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
BRANNIGAN	ONTP      MAJ	
ALLEN	OTP      MIN	
CURRAN		
POULIOT		

SUMMARY

(Minority OTP prevailed). Under PL1987, c. 341, which requires motorists to maintain proof of financial responsibility, an individual cited for violation of the Act is permitted to escape liability by purchasing insurance up to 24 hours before the time set for the court appearance. This bill amends the law to require that the insurance be in effect at the time of the violation.

**LD 341**      **An Act to Curtail Any Expansion or New Mandated Health  
Insurance Programs Until an Assessment Has Been Made of  
Current Situation**

**LV/WD**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
GILL	LV/WD	
RYDELL		
BERUBE		
HIGGINS		

SUMMARY

The bill requires the Mandated Benefits Advisory Commission to develop plans to ensure that no expansion of mandated health insurance benefits occurs until the Commission completes its study of mandated benefits.

See LD 643 and LD 758 for related subjects.

**LD 396**      **An Act to Require Mandatory Checking of Motorists'  
Maintenance of Financial Responsibility**

**PUBLIC 249**

<u>SPONSOR(S)</u>	<u>COMMITTEE REPORT</u>	<u>AMENDMENTS ADOPTED</u>
HANDY	OTP      MAJ	
STEVENS P	ONTP      MIN	
JOSEPH		
ESTES		

SUMMARY

This bill requires law enforcement officers making a stop to ask the operator for proof of financial responsibility.