

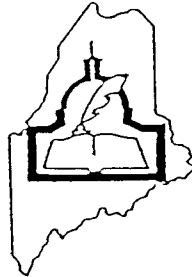
# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
114TH LEGISLATURE  
SECOND REGULAR SESSION**



**BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE**

**JUNE 1990**

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Sen. Beverly Miner Bustin  
Sen. Donald F. Collins

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**One Hundred and Fourteenth Legislature  
Second Regular Session**

**Joint Standing Committee  
Bill Summaries**

**June 1990**

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. Committee Reports and Floor Action are abbreviated as follows:

OTP  
OTP-ND  
OTP-ND-NT  
OTP-A  
ONTP  
LVWD  
INDEF PP

Ought to Pass  
Ought to Pass in New Draft  
Ought to Pass in New Draft, New Title  
Ought to Pass as Amended  
Ought Not to Pass  
Leave to Withdraw  
Indefinitely Postponed

Each individual summary was prepared by the analyst or analysts assigned to the committee. But, this document was produced by the efforts of all the office staff, including secretaries: Charlene Raymond, 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.

**LD 1979**

**An Act Concerning Discontinuance and Replacement of Group Accident and Health Insurance**

**LV/WD**

**SPONSOR(S)**

GWADOSKY  
MARSANO  
THERIAULT  
BRANNIGAN

**COMMITTEE REPORT**

LV/WD

**AMENDMENTS ADOPTED**

**SUMMARY**

LD 1979 would have amended the nonprofit and commercial group health insurance laws to protect employees and other persons covered by group policies and contracts against loss of coverage when the group changes carriers. The bill requires insurers and nonprofits to cover all people who were covered under the replaced contract or policy within 60 days of the discontinuance of the policy. The minimum level of benefits to be provided by the carrier of the replacement contract for those people would be the level of benefits under the replaced contract or policy, reduced by any benefits payable by the prior carrier. The bill specifies the responsibilities of the prior and succeeding carriers.

LD 1979 was one of three bills relating to continuity of health insurance coverage. See LD 2250 (LV/WD) and LD 2274 (ENACTED).

**LD 2038**

**An Act to Provide for Expedited Merger, Consolidation or Acquisition of Credit Unions**

**PUBLIC 646  
EMERGENCY**

**SPONSOR(S)**

CURRAN  
THERIAULT  
PARADIS P  
GILL

**COMMITTEE REPORT**

OTP

**AMENDMENTS ADOPTED**

**SUMMARY**

This bill provides for emergency merger, consolidation or acquisition authority for credit unions comparable to that provided for other state-chartered financial institutions. It is also consistent with the authority provided in federal law to the National Credit Union Administration.

**LD 2047**

**An Act to Promote Consumer Choice in Automobile Insurance**

**LV/WD**

**SPONSOR(S)**

THERIAULT  
COLLINS  
KETOVER  
GARLAND

**COMMITTEE REPORT**

LV/WD

**AMENDMENTS ADOPTED**

**SUMMARY**

This bill would have offered optional personal protection insurance as an alternative to traditional fault-based automobile insurance. Personal protection insurance is a limited-lawsuit no-fault insurance covering both personal injury and property damage.

Persons who choose personal protection insurance could not sue or be sued as a result of the operation of a motor vehicle within this State, except under limited circumstances. In no case could an award in a case involving them include noneconomic damages, such as pain and suffering.

If the person covered by personal protection insurance was at fault in an accident involving a person