

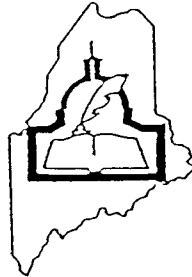
MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

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



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

JUNE 1990

MEMBERS:
*Sen. Raynold Theriault
Sen. Beverly Miner Bustin
Sen. Donald F. Collins

*Rep. Charlene B. Rydell
Rep. Phyllis R. Erwin
Rep. Richard H. C. Tracy
Rep. Carol M. Allen
Rep. Harriet A. Ketover
Rep. Ruth Joseph
Rep. Anne M. Rand
Rep. Philip E. Curran
Rep. Joseph A. Garland
Rep. Harvey C. Donald

Staff:
Deborah C. Friedman, Legislative Analyst
Haven Whiteside, Legislative Analyst

**Office of Policy and Legal Analysis
Room 101, State House Station 13
Augusta, ME 04333
(207) 289-1670**

*Denotes Chair

MARTHA E. FREEMAN, DIRECTOR
WILLIAM T. GLIDDEN, PRINCIPAL ANALYST
JULIE S. JONES, PRINCIPAL ANALYST
DAVID C. ELLIOTT, PRINCIPAL ANALYST
GILBERT W. BREWER
TODD R. BURROWES
GRO FLATEBO
DEBORAH C. FRIEDMAN
JOHN B. KNOX



PATRICK NORTON
HARTLEY PALLESCHI
MARGARET J. REINSCH
PAUL J. SAUCIER
JOHN R. SELSER
HAVEN WHITESIDE
JILL IPPOLITI, RES. ASST.
BARBARA A. MCGINN, RES. ASST.
BRET A. PRESTON, RES. ASST.

STATE OF MAINE
OFFICE OF POLICY AND LEGAL ANALYSIS
ROOM 101/107/135
STATE HOUSE STATION 13
AUGUSTA, MAINE 04333
TEL.: (207) 289-1670

**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	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 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.

with traditional liability insurance, the person covered by traditional liability insurance would collect under the uninsured motorist provision of their own policy. (Policies must contain uninsured motorist coverage under present law.) Premiums for personal protection insurance could not exceed 80% of those for traditional liability insurance policies.

The bill was withdrawn in favor of study by the Committee as part of the sunset review of auto insurance (see LD 2178).

LD 2050 **An Act Authorizing Further Assessments for Public Advocate Participation in Workers' Compensation Insurance Rate Proceedings**

**PUBLIC 673
EMERGENCY**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
COLLINS	OTP-AM	S-498
RYDELL		S-511 THERIAULT
GARLAND		
THERIAULT		

SUMMARY

The bill amends the provision of law requiring insurers and rating organizations to pay a filing fee when they make workers' compensation rate filings. The fee is used to hire consultants and pay other expenses of the Public Advocates' office, for participation in the rate filings. The bill provides for an additional \$15,000 filing fee, to be used to pay for Public Advocate staff time spent in participating in the filing. The bill also permits the Public Advocate to participate in the "fresh start" determinations and requires insurers participating in the determination to pay a fee to cover the Public Advocate's expenses.

The Committee Amendment (S-498) adds a fiscal note and allocation section, and increases from \$7,500 to \$10,000 the amount of the fee required when a "fresh start" determination is made at the same time as a rate filing. The amendment also delays the effective date of the provision requiring a \$15,000 filing fee for rate filings. The delay was intended to avoid a conflict with a bill being considered by the Appropriations Committee to change the method of funding the Advocates' office. The Appropriations Committee bill LD 2503, section E-43, repeals and replaces the statute requiring the \$15,000 filing fee as enacted in LD 2050. LD 2503 requires payment of the filing fee, but requires the superintendent to transfer the funds to the Treasurer of State as undedicated revenue to the General Fund.

The Senate Amendment (S-511) corrects the allocation and fiscal note.

LD 2069 **An Act to Allow the Maine State Employees Health Insurance Program to Self-insure Health or Dental Insurance**

PUBLIC 776

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
BUSTIN	OTP-AM	S-578
GILL		
MARTIN J		
HIGGINS		

SUMMARY

The bill permits the State Employee Health Insurance Program to partially or fully self-insure the state employee health plan, and establishes a non-lapsing fund to be administered by the director of the program, to indemnify the state for losses and expenses in operating the program.

The Committee Amendment (S-578) adds reserve requirements for any self-funded health or dental plans administered by the State Employee Health Commission; permits the commission to contract with a