

# 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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**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.

the property, minus physical depreciation, as determined according to standard business practice. The bill would have removed reference to physical depreciation, and provided that actual cash value is the replacement cost of the property.

**LD 2162      An Act to Prohibit Motor Vehicle Insurers from Adjusting  
Personal Insurance Rates of Certain Public Employees**

**PUBLIC 737**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
COLLINS RYDELL WHITMORE	OTP	H-881    RYDELL

**SUMMARY**

The bill prohibits insurers from increasing the personal auto insurance rates of a law enforcement officer for an accident in the course of employment if the vehicle used in that employment is insured on another policy.

The House Amendment (H-881) makes technical clarifications.

**LD 2163      An Act to Amend the Laws Relating to the Maine Insurance  
Guaranty Association and the Maine Life and Health Insurance  
Guaranty Association (Reported Pursuant to Public Law 1989,  
chapter 67)**

**PUBLIC 751**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
	OTP	

**SUMMARY**

This is one of 2 bills containing the recommendations of the Banking & Insurance Committee's Subcommittee to Study the Current Operation of Insurance Guaranty Funds. This bill changes the laws governing the Maine Insurance Guaranty Association and the Maine Life and Health Insurance Guaranty Association.

The bill eliminates certain coverage of the guaranty associations, provides for continuation of the special assessment authority enacted in Public Law 1989, chapter 67, and requires the Joint Standing Committee on Banking and Insurance in 1993 to review this bill and the 1989 laws.

The bill also requires both associations to immediately notify the Joint Standing Committee on Banking and Insurance of any "spillover" assessment, and to report annually to the Legislature on the assessments made by the association.

**LD 2167      RESOLUTION, Proposing an Amendment to the Constitution of  
Maine to Ensure the Financial Integrity of Any Public Mutual  
Insurance Company Established to Provide Workers'  
Compensation Insurance to Employers in This State (Reported  
Pursuant to a Study Authorized by the Legislative Council)**

**LV/WD**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
	LV/WD	

**SUMMARY**

This resolution is part of the legislation submitted as a result of a study on the feasibility of creating a state workers' compensation insurance fund, conducted by a subcommittee of the Banking and