

MAINE STATE LEGISLATURE

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**STATE OF MAINE
115TH LEGISLATURE**

**FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION**

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

AUGUST 1991

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Sen. Raynold Theriault
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**ONE HUNDRED AND FIFTEENTH LEGISLATURE
FIRST REGULAR SESSION
AND
FIRST SPECIAL SESSION
JOINT STANDING COMMITTEE
BILL SUMMARIES
AUGUST 1991**

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 volume is organized alphabetically by committee; within each committee, the summaries are arranged by LD number. A subject index is provided at the beginning of each committee's summaries.

All adopted amendments are listed, by paper number (e.g., H - 584 or S - 222), together with the sponsor for floor amendments. Final action on each bill is listed to the right of the title. Various types of final action are abbreviated as follows:

PUBLIC XXX	<i>Chapter # of enacted Public Law</i>
P&S XXX	<i>Chapter # of enacted Private & Special Law</i>
RESOLVE XXX	<i>Chapter # of enacted Resolve</i>
CON RES XXX	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
EMERGENCY	<i>Enacted law takes effect sooner than 90 days</i>
CARRIED OVER	<i>Bill carried over to 2nd Session</i>
FAILED EMERGENCY ENACTMENT	<i>Bill failed to get 2/3 vote</i>
ONTP	<i>Ought Not to Pass report accepted</i>
LVWD	<i>Leave to Withdraw report accepted</i>
INDEF PP	<i>Bill Indefinitely Postponed</i>
DIED BETWEEN BODIES	<i>House & Senate disagree; bill died</i>
VETO SUSTAINED	<i>Legislature failed to override Governor's Veto</i>
UNSIGNED	<i>Not signed by Governor within 10 days</i>
DIED ON ADJOURNMENT	<i>Action incomplete when 1st session ended</i>

These summaries were 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.

If you have any suggestions or comments on these summaries, please let us know.

Maine law a maximum \$12 annual fee and 18% per annum interest. This amendment dedicates all income from the environmental credit card to the Natural Resources Protection Fund, a nonlapsing fund used to protect or acquire critical wildlife habitats, acquire public lands, protect threatened or endangered species, restore and protect lakes, wetlands and the marine environment and provide public education and information about the environment. A fund management committee administers the fund and may accept gifts, grants, bequests, appropriations and allocations. An advisory committee reviews the activities of the fund and makes recommendations to the fund management committee. An allocation is provided to allow the fund to spend money in the first 2 years. This money comes from income to the fund from the credit card program and does not require or utilize any appropriation. The amendment adds a fiscal note which shows that the credit card program will not require an appropriation. All costs will be paid from the fund income itself. The allocation is to allow fund money to be spent.

LD 346

An Act to Amend Qualifying Standards Applicable to Reinsurance Transactions

PUBLIC 38

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
HASTINGS RAND BRAWN THERIAULT	OTP-AM	H-39

SUMMARY

A newly instituted plan for expanded reinsurance markets has been made viable by the establishment of very significant deposit standards for trustee assets to be located in the United States by London reinsurers offering such markets. This bill addresses issues of safety and soundness by establishing requirements designed to reasonably ensure performance upon policy obligations undertaken by such business ventures.

Committee Amendment "A" (H-39) corrects wording in the bill.

LD 348

An Act to Amend Certain Provisions of the Laws Relating to Health Insurance

PUBLIC 48

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
DUFFY RUHLIN TITCOMB MITCHELL E	OTP-AM	H-47

SUMMARY

The purpose of this bill is to protect consumers in this State who purchase health care coverage for services or benefits from nonprofit hospital or medical service organizations from sudden, extremely large rate increases and to protect consumers' ability to purchase Medicare supplemental coverage.

The bill ensures that rates charged by nonprofit hospital or medical service organizations, already subject to approval by the Superintendent of Insurance, contain no more than a specific percentage amount for the purpose of replenishing corporate reserves.

The bill removes the tax exemption status from those portions of nonprofit hospital or medical service organization businesses that are not "community-rated," that is, set without reference to age, sex or other characteristics of the subscribers. In addition, to the extent that the superintendent is approving rates for those portions of the nonprofit hospital or medical service organization businesses that are tax exempt, those rates may not include any charge for the taxes paid on the organizations'