

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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**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.

LD 591 An Act Restricting the Use of the Names of Maine Banks on PUBLIC 135
Credit Cards

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
MARTIN J MITCHELL E KANY	OTP-AM	H-137

SUMMARY

This bill restricts the use of the name of a Maine financial institution in the title and on the face of a credit card to institutions that are Maine institutions.

Committee Amendment "A" (H-137) requires that a credit card contract comply with applicable credit card law if the name of a Maine bank is featured on the card.

LD 610 An Act to Amend Maine's Commercial Lines Cancellation Laws PUBLIC 25

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
HASTINGS KANY BRAWN JOSEPH	OTP	

SUMMARY

Insurance companies are required by law to give a policyholder of a commercial policy 10 days' notice of cancellation for policies that are over 60 days old. No similar notice provision exists for commercial policies during the first 60 days, although the Bureau of Insurance has interpreted the intent to be the same. This bill provides for a 10-day notice provision for cancellation of commercial policies during the first 60 days.

LD 626 An Act to Require Insurers to Provide Insurance Coverage for CARRIED OVER
Newborn Hospital Care

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
CAHILL P		

SUMMARY

This bill requires health insurers to pay 100% of the costs of inpatient hospital care and attending physician costs for newly born children.

LD 642 An Act to Clarify the Laws Relating to Insurance Coverage PUBLIC 156
for Mammograms **EMERGENCY**

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
RYDELL CLARK N CAHILL P MITCHELL E	OTP-AM	H-166

SUMMARY

Public Law 1989, chapter 875 requires all insurance policies to provide coverage for screening

mammograms. As written, the scope of the law is so broad that it applies to types of insurance that are not designed to cover medical procedures such as mammograms. Examples of those types of insurance are disability insurance, nursing home care and long-term care insurance. This bill clarifies that the requirement for coverage of screening mammograms applies only to health insurance policies that cover radiologic procedures.

Committee Amendment "A" (H-166) restores the exemption for specific disease and accidental injury policies that the bill deleted from the mammography mandate.

LD 659 An Act to Prohibit Family Exclusion Clauses in Automobile Insurance Policies PUBLIC 126

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
MARSANO RAND HASTINGS CONLEY	OTP-AM	H-136

SUMMARY

This bill requires any insurer who excludes coverage for injury to family members residing in the insured's household from coverage under an auto insurance liability policy to offer the opportunity to buy back coverage for those persons. An additional premium for this coverage could be charged.

Committee Amendment "A" (H-136) provides definitions of economic damages, medical expenses, substitute services and wage loss. It limits the required option to economic losses.

LD 691 An Act to Prohibit Refusal to Issue Automobile Insurance Solely because the Applicant Has Reached the Age of 65 PUBLIC 106

SPONSOR(S)	COMMITTEE REPORT	AMENDMENTS ADOPTED
DUFFY MITCHELL E TRACY RUHLIN	OTP-AM	H-85

SUMMARY

This bill prohibits insurers selling automobile insurance from discriminating against insureds over 65 years of age. Enforcement penalties are already included in the Maine Revised Statutes, Title 24-A, section 12-A and include civil penalties enforced by the Attorney General or Superintendent of Insurance, cease and desist orders, reprimand or censure, refunds of overcharges and restitution.

Committee Amendment "A" (H-85) prohibits an insurer from refusing to issue motor vehicle liability insurance to an applicant solely because the applicant has reached the age of 65.