

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
115TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES  
JOINT STANDING COMMITTEE  
ON  
BANKING AND INSURANCE

MAY 1992

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**ONE HUNDRED AND FIFTEENTH LEGISLATURE  
SECOND REGULAR SESSION**

**JOINT STANDING COMMITTEE  
BILL SUMMARIES**

**MAY 1992**

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 far right of the title. Various types of final action are abbreviated as follows:

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

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, 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 1613      An Act to Reform Maine Motor Vehicle Insurance      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
THERIAULT BRAUN JOSEPH RICHARDS	ONTP	

**SUMMARY**

This bill establishes no-fault automobile insurance in Maine. The no-fault insurance system provides coverage for personal protection, property protection and residual liability.

**LD 1665      An Act to Facilitate the Purchase of Insurance by Purchasing Groups      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
RAND THERIAULT ERWIN	ONTP	

**SUMMARY**

This bill gives the Superintendent of Insurance the authority, upon petition of any insurer, purchasing group, broker or on the superintendent's own initiative to determine that a particular line of insurance does not exist in this State. The bill also allows purchasing groups the option of purchasing insurance from an insurer not admitted in this State if that insurer is admitted pursuant to the surplus lines laws in another state.

**LD 1721      An Act Concerning Small Business Employer Health Coverage Reforms      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
THERIAULT GARLAND PLOURDE	ONTP      MAJ OTP      MIN	

**SUMMARY**

This bill establishes the Maine Small Business Employer Health Reinsurance Program. This program is a means of pooling the resources of various insurance carriers in order to meet the requirements of health insurance continuity legislation, which became law in 1989. It spreads the risk of loss in the case of small business employer health policies in order to ensure a strong competitive marketplace for health insurance. It allows certain carriers to "opt out" when they can comply with the law and absorb the risk.

**LD 1800      An Act Concerning Insurance Coverage for the Diagnosis and Treatment of the Disease of Infertility      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
CLARK N MITCHELL E GARLAND	ONTP	

**SUMMARY**

This bill provides that all individual and group insurance policies, all individual and group nonprofit

medical services plan contracts and all nonprofit health care plan contracts that provide coverage for gynecological and urological illnesses must provide coverage for the diagnosis and treatment of the disease of infertility. The coverage for the disease of infertility must include procedures consistent with established medical practices considered necessary by the attending physician.

**LD 1871      An Act to Amend the Banking Laws to Allow Nonprofit Groups to Develop Affordable Housing      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
MITCHELL J CLARK N	ONTP	

**SUMMARY**

This bill exempts from the provisions of the Maine Consumer Credit Code a loan or credit sale to a moderate-income, low-income or very low-income person by a creditor that is a nonprofit corporation when part of the purpose of the sale is to establish or maintain affordable housing.

**LD 1966      RESOLUTION, Proposing an Amendment to the Constitution of Maine to Limit the Expenditure of the Funds of a Public Mutual Insurance Company Created by the State to Provide Workers' Compensation Insurance to Employers in this State      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
MITCHELL E	ONTP	

**SUMMARY**

This resolution is part of the majority report of the Joint Standing Committee on Banking and Insurance and the Joint Standing Committee on Labor on workers' compensation reform.

This resolution proposes an amendment to the Constitution of Maine to prevent the expenditure of the funds of a public mutual insurance company created by the State to provide workers' compensation insurance to employers in this State for any purpose other than the purposes of that public mutual insurance company.

**LD 2009      An Act to Change the Legislative Reporting Requirements of the Mandated Benefits Advisory Commission      ONTP**

<b>SPONSOR(S)</b>	<b>COMMITTEE REPORT</b>	<b>AMENDMENTS ADOPTED</b>
CLARK N GILL KANY ERWIN	ONTP	

**SUMMARY**

This bill requires the Mandated Benefits Advisory Commission to strictly adhere to the reporting deadlines set by the joint standing committee of the Legislature having jurisdiction over insurance matters for each piece of legislation referred to the commission for study. Failure to meet these deadlines means an automatic and immediate return of the measure under study to the legislative committee of jurisdiction for ultimate disposition of the bill.