

MAINE STATE LEGISLATURE

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STATE OF MAINE
116TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE

MAY 1994

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

**JOINT STANDING COMMITTEE
BILL SUMMARIES**

MAY 1994

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.

The committee report or reports, the prime sponsor for each bill and the lead co-sponsor in each house if one has been designated are listed below each bill title. All adopted amendments are listed, by paper number, 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

P&S XXX

RESOLVE XXX

CON RES XXX

EMERGENCY

ONTP

INDEF PP

FAILED ENACTMENT

FAILED EMERGENCY ENACTMENT

FAILED MANDATE ENACTMENT

DIED BETWEEN BODIES

CONF CMTE UNABLE TO AGREE

VETO SUSTAINED

UNSIGNED

DIED ON ADJOURNMENT

Chapter # of enacted Public Law

Chapter # of enacted Private & Special Law

Chapter # of enacted Resolve

Chapter # of Constitutional Resolution passed by both Houses

Enacted law takes effect sooner than 90 days

Ought Not to Pass report accepted

Bill Indefinitely Postponed

Bill failed to get majority vote

Emergency bill failed to get 2/3 vote

Bill imposing local mandate failed to get 2/3 vote

House & Senate disagree; bill died

Committee of Conference unable to agree; bill died

Legislature failed to override Governor's Veto

Not signed by Governor within 10 days

Action incomplete when session ended; bill died

These summaries were prepared by the analyst or analysts assigned to the committee. If you have any suggestions or comments on the summaries, please let us know.

5581LHS

No capital funds are required to establish an arrangement. Joint liability of participating employers is required to ensure that benefits will be paid through assessments if necessary. If the trust created by the employers is not appropriately funded, the filing of a security deposit with the Secretary of State or the posting of a bond is required. No premium taxes are assessed on such plans. Annual reporting to the Superintendent of Insurance is required and records of the arrangement are to be kept in the State. The superintendent may suspend or revoke the authority of arrangements that are operated in an unsound fashion. Penalties are provided for arrangements that operate without authority.

COMMITTEE AMENDMENT "A" (H-917) requires multiple-employer welfare arrangements to issue only health care benefit plans that meet the requirements for small group health plans of the Maine Revised Statutes, Title 24-A, section 2808-B on rating practices, guaranteed renewal and coverage for late enrollees. They must comply with the continuity requirements of Title 24-A, chapter 36. They may not deny coverage on the basis of health status or claims experience. They must provide in any health care benefit plan issued the health care benefits required in the standard and basic plans of the Bureau of Insurance Rule Chapter 750. The amendment also adds an emergency provision and a fiscal note to the bill.

LD 1569

An Act to Amend the Maine Banking Code to Clarify the Definition of Limited-time and Seasonal Branches and to Provide a Definition of In-school Branches

PUBLIC 492

SPONSOR(S)
ERWIN

COMMITTEE REPORT
OTP-AM

AMENDMENTS ADOPTED
H-725

SUMMARY

This bill makes several changes to the Maine Banking Code to clarify the establishment of limited-time branches, which are those that may be operated for specific hours or days during the week; such branches are usually operated in areas of high tourist traffic that have substantial seasonal changes in population. The bill defines in-school branches and clarifies the law regarding the establishment of in-school branches, which primarily serve as an educational tool and are limited both in scope of services offered and the community to be served.

COMMITTEE AMENDMENT "A" (H-725) adds credit unions to the organizations that may open limited-time and seasonal branches under the Maine Revised Statutes, Title 9-B, section 333. Currently credit unions are allowed to do so by cross-reference from Title 9-B, section 826. It reorganizes Title 9-B, section 333, subsection 3 to improve the grammar. It shortens the distance requirement for mobile branches from 10-road miles to 5-road miles. It deletes an out-of-date sentence in the statute on mobile branches. This amendment also makes necessary style and grammar changes.

LD 1583

An Act to Clarify Automobile Insurance Laws

ONTP

SPONSOR(S)
DAGGETT

COMMITTEE REPORT
ONTP

AMENDMENTS ADOPTED

SUMMARY

This bill requires that automobile drivers whose only violation of state law is failure to obtain insurance or operation of a motor vehicle without insurance be eligible for insurance in the ordinary market and not through the assigned risk pool.