

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.

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conditions as persons who are eligible due to age. This amendment also conforms existing law to current drafting standards.

LD 1635 **An Act to Authorize a Limited License to Permit Funeral Service Practitioners to Offer Additional Preneed Funeral Service Products** ONTP

SPONSOR(S) **COMMITTEE REPORT** **AMENDMENTS ADOPTED**
ERWIN ONTP

SUMMARY

This bill provides for the granting of a limited life insurance agent's license to funeral service practitioners to sell funeral service life insurance. Funeral service life insurance would be an alternative available to fund an agreement between a consumer and a funeral service practitioner for advance payment of funeral services. The bill also permits funeral service practitioners to advertise the availability of prearranged funeral services funding alternatives. The Bureau of Insurance will provide oversight of the granting of the limited licenses.

LD 1637 **An Act Regarding Insurance Coverage for Mental Illness** PUBLIC 586

SPONSOR(S) **COMMITTEE REPORT** **AMENDMENTS ADOPTED**
DORE OTP

SUMMARY

This bill makes 2 technical corrections in mental illness insurance benefits law enacted in 1993. It corrects the lifetime cap on mental illness benefits, changing the language from "costs associated with a mental illness" to "costs associated with mental illness." It removes 2 sentences added to the application sections of the mental illness provisions, moving one sentence to the coverage subsection and deleting the other.

LD 1649 **An Act to Promote Equitable Penalties for Unlicensed Consumer Lending** PUBLIC 496

SPONSOR(S) **COMMITTEE REPORT** **AMENDMENTS ADOPTED**
CARPENTER OTP-AM S-401

SUMMARY

Under current law, the penalty for a creditor making loans without first having obtained or renewed a supervised lender license is forfeiture of all interest for the full term of each loan. The purpose of this bill is to bring the penalty more in line with the severity of the violation, while retaining sufficient deterrence to nonlicensed lending. Under this bill, if a creditor makes a loan without first obtaining or renewing the supervised lending license, the creditor forfeits the application fee, prepaid finance charge, closing cost and the loan finance charge owed for the first 12 months of the loan.

COMMITTEE AMENDMENT "A" (S-401) adds a cross-reference.