

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
118TH LEGISLATURE**

**FIRST REGULAR SESSION  
AND  
FIRST SPECIAL SESSION**

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

**JULY 1997**

**MEMBERS:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. Robert E. Murray, Jr.*

*Sen. I. Joel Abromson*

*Rep. Jane W. Saxl, Chair*

*Rep. Julie Winn*

*Rep. Thomas M. Davidson*

*Rep. Christopher P. O'Neil*

*Rep. Joseph C. Perry*

*Rep. Stephen S. Stanley*

*Rep. Joseph G. Carleton, Jr.*

*Rep. Sumner A. Jones, Jr.*

*Rep. Arthur F. Mayo III*

*Rep. Joseph Bruno*

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**Maine State Legislature**

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**ONE HUNDRED EIGHTEENTH LEGISLATURE  
FIRST REGULAR AND FIRST SPECIAL SESSIONS**

**Summary Of Legislation Before The Joint Standing Committees  
August 1997**

We are pleased to provide this summary of bills that were considered by the 15 Joint Standing Committees of the Maine Legislature staffed by this office. The document is a compilation of bill summaries which describe each bill, committee amendments and other relevant amendments, as well as the final action taken on the bill. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized alphabetically by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet ([www.state.me.us/legis/opla](http://www.state.me.us/legis/opla)).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CARRIED OVER*.....*Bill carried over to Second Regular Session*
- CON RES XXX*.....*Chapter # of Constitutional Resolution passed by both Houses*
- CONF CMTE UNABLE TO AGREE*.....*Committee of Conference unable to agree; bill died*
- DIED BETWEEN BODIES*.....*House & Senate disagree; bill died*
- DIED IN CONCURRENCE*.....*One body accepts ONTP report; the other indefinitely postpones the bill*
- DIED ON ADJOURNMENT*.....*Action incomplete when session ended; bill died*
- EMERGENCY*.....*Enacted law takes effect sooner than 90 days*
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....*Emergency bill failed to get 2/3 vote*
- FAILED ENACTMENT/FINAL PASSAGE*.....*Bill failed to get majority vote*
- FAILED MANDATE ENACTMENT*.....*Bill imposing local mandate failed to get 2/3 vote*
- INDEF PP*.....*Bill Indefinitely Postponed*
- ONTP*.....*Ought Not To Pass report accepted*
- OTP ND*.....*Committee report Ought To Pass In New Draft*
- OTP ND/NT*.....*Committee report Ought To Pass In New Draft/New Title*
- P&S XXX*.....*Chapter # of enacted Private & Special Law*
- PUBLIC XXX*.....*Chapter # of enacted Public Law*
- RESOLVE XXX*.....*Chapter # of finally passed Resolve*
- UNSIGNED*.....*Bill held by Governor*
- VETO SUSTAINED*.....*Legislature failed to override Governor's Veto*

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is June 26, 1997 and September 19, 1997 for the First Special Session.

*David E. Boulter, Director*

Offices Located in the State House, Rooms 101/107/135

LD 486

**An Act Prohibiting Financial Institutions from Charging Fees for Verification of Sufficient Funds**

ONTP

Sponsor(s)  
PINGREE

Committee Report  
ONTP

Amendments Adopted

LD 486 proposed to prohibit financial institutions from charging a fee to a payee of a check for verifying whether or not there are sufficient funds in the payor's account with that financial institution.

**LD 546**

**An Act to Ensure Responsible Coordination of Medical Care under Managed Care**

PUBLIC 163

Sponsor(s)  
MAYO  
PARADIS

Committee Report  
OTP MAJ  
ONTP MIN

Amendments Adopted  
S-113 LAFOUNTAIN

LD 546 proposed to prohibit a managed care plan from including a clause that allows the managed care plan to terminate the provider's contract without cause.

**Senate Amendment "A" (S-113)** replaced the bill. The amendment proposed to require a carrier seeking to terminate a participating provider to provide a detailed explanation of the carrier's reasons for seeking to terminate the provider and the opportunity for a review or hearing on the decision at the provider's request. This requirement does not apply to termination cases involving imminent harm to patient care, a final determination of fraud by a governmental agency or a final disciplinary action that impairs the provider's ability to practice. A hearing panel of at least three persons, including one clinical peer of the provider, must review a proposed action to terminate a provider and provide a written decision to the provider.

*Enacted law summary*

Public Law 1997, chapter 163 requires health carriers to provide a detailed explanation to the provider of the carrier's reasons for seeking to terminate a participating provider and to give the provider an opportunity for a review or hearing on the carrier's decision at the provider's request. The requirement does not apply when termination occurs after a final determination of fraud by a governmental agency or a final disciplinary action that impairs a provider's ability to practice or in cases involving imminent harm to patient care.

LD 548

**An Act Concerning Service Relating to the Disclosure of Financial Records**

PUBLIC 16

Sponsor(s)  
JONES SL

Committee Report  
OTP

Amendments Adopted

LD 548 proposed to authorize the District Attorney, in addition to the Attorney General, to advise the court to delay or dispense with service of a subpoena, summons, warrant or order requesting disclosure of financial records if