

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:

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Sen. Robert E. Murray, Jr.

Sen. I. Joel Abromson

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Rep. Julie Winn

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Staff:

Colleen McCarthy Reid, Legislative Analyst

Office of Policy and Legal Analysis

Room 101/107/135, 13 State House Station

Augusta, ME 04333

(207)287-1670



Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

13 State House Station, Augusta, Maine 04333-0013
 Telephone: (207) 287-1670
 Fax: (207) 287-1275

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).

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:

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

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

service to the customer would not be in the public interest. The bill also proposed to remove the requirement that the customer be served when the disclosure is sought in connection with a criminal proceeding.

Enacted law summary

Public Law 1997, chapter 16 authorizes district attorneys to advise the court to delay or dispense with requiring service of a subpoena, summons, warrant or order requesting disclosure of financial records if service to the customer would not be in the public interest. The law also removes the requirement that the customer be served notice when the disclosure is sought in connection with a criminal proceeding.

**LD 552 An Act to Prohibit Rebates and Other Incentives Pertaining to ONTP
Insurance Claims**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JONES SA	ONTP MAJ OTP-AM MIN	

LD 552 proposed to prohibit a motor vehicle repair facility from refunding a deductible to be paid by insured customers or providing rebates or other incentives to insured customers or other persons as an incentive to have a repair made at the repair facility with respect to repairs paid for in whole or in part by insurance companies.

Committee Amendment "A" (H-92) is the minority report of the committee and replaced the bill. It proposed to narrow the provision to apply only to motor vehicle glass repairs and prohibits a motor vehicle glass repair facility from refunding a deductible or any part of a deductible to be paid by insured customers or other persons as an incentive to have a motor vehicle glass repair made at the repair facility.

The amendment also adds a fiscal note. Committee Amendment "A" was not adopted.

**LD 561 An Act to Provide the Maine Turnpike Authority with PUBLIC 77
Representation on the State Employee Health Commission EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'GARA	OTP-AM	S-54

LD 561 proposed to add representation on the State Employee Health Commission to labor and management of the Maine Turnpike Authority. The commission determines the Authority's health benefits and plan costs for its employees.

Committee Amendment "A" (S-54) proposed to correct a technical error and add an emergency preamble, an emergency clause and a fiscal note to the bill.

Enacted law summary

Public Law 1997, chapter 77 adds one labor member and one management member representing the Maine Turnpike Authority to the State Employee Health Commission.