

# 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 911**

**An Act to Define the Diagnosis of Pregnancy for the Purposes of Insurance Coverage**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAYO GOLDTHWAIT	ONTP	

LD 911 proposed to define the existence of a pregnancy as the time when a women misses her last normal menstrual period for the purposes of determining when pregnancy exists as it relates to the application of a preexisting condition exclusion under an insurance policy. Under current practice, insurers define the existence of a pregnancy as the date of conception. However, pregnancy is medically diagnosed at the time a woman presents symptoms, namely a missed menstrual period. This bill proposed to define pregnancy as existing on the date when it is medically diagnosable.

**LD 922**

**An Act to Require Disclosure to Consumers about the Availability of Private Insurance Adjusters**

**ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
COWGER TREAT	ONTP	

LD 922 proposed to require insurers to notify persons filing claims that they may use the services of an independent adjuster for a fee.

**LD 933**

**Resolve, to Establish a Commission to Study Insurance Fraud**

**RESOLVE 77  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PEAVEY LAFOUNTAIN	OTP-AM	H-238 S-357 MICHAUD

LD 933 proposed to establish the Commission to Study Insurance Fraud. The commission shall report its findings and any recommended legislation to the joint standing committee having jurisdiction over banking and insurance matters and to the Executive Director of the Legislative Council.

**Committee Amendment "A" (H-238)** replaced the resolve and proposed to make the following changes from the original bill:

1. Add representatives from the Office of the State Fire Marshal, the Medicaid fraud unit of the Department of Human Services, the private bar, hospitals and health care providers to the commission and clarify that the Governor appoints the commission members who are not Legislators;
2. Reduce the legislative membership from three to two members;

3. Clarify the issues that the commission must study;
4. Require that only legislative members of the commission are entitled to legislative per diem and reimbursement for travel and other necessary expenses;
5. Change the reporting date from December 1, 1998 to March 1, 1998;
6. Add an emergency preamble and emergency clause to the resolve; and
7. Add an appropriation section and a fiscal note to the resolve.

**Senate Amendment "A" to Committee Amendment "A" (S-357)** proposed to change the reporting date from March 1, 1998 to January 1, 1998, specify the number of commission meetings and revise the appropriation section.

***Enacted law summary***

Resolve 1997, chapter 77 establishes the Commission to Study Insurance Fraud. The commission consists of 12 members, including representatives of the insurance industry, the Office of the State Fire Marshal, the State's Medicaid fraud unit and health care providers, and Legislators. The commission is charged with studying the issue of insurance fraud in the State and developing recommendations to strengthen the State's laws governing insurance fraud.

Resolve 1997, chapter 77 was enacted as an emergency measure effective June 12, 1997.

**LD 969**

**An Act to Authorize the Issuance of a Credit Card to Benefit the Scholarships for Maine Fund**

**PUBLIC 97**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAVIDSON	OTP-AM MAJ	H-100 DAVIDSON
ABROMSON	ONTP MIN	H-93

LD 969 proposed to authorize the Finance Authority of Maine to enter into an agreement for a sponsored credit card with a financial institution or a credit union authorized to do business in the State. The purpose of the credit card is to provide voluntary funding for the Scholarships for Maine Fund from which grants are made to students who evidence financial need when attending an accredited postsecondary education program. The bill also proposed to update the list of the higher education assistance programs the Finance Authority of Maine is authorized to administer.

**Committee Amendment "A" (H-93)** proposed to expand the types of entities that the Finance Authority of Maine may contract with to issue a credit card to benefit the Scholarships for Maine Fund to include credit card issuers.

The amendment also adds a fiscal note to the bill.

**House Amendment "A" (H-100)** proposed to correct two cross-references.