

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

**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

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:

- 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

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.

Enacted law summary

Public Law 1997, chapter 97 authorizes the Finance Authority of Maine to enter into an agreement with a financial institution, a credit union or other credit card issuer to sponsor a credit card to provide voluntary funding for the Scholarships for Maine Fund. The Fund provides grants to financially needy students pursuing a postsecondary education.

LD 980

An Act to Amend Provisions Applicable to Property Casualty Insurers and Reporting Requirements to the Bureau of Insurance

PUBLIC 126

<u>Sponsor(s)</u> DAVIDSON		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> H-148
-------------------------------	--	-----------------------------------	--	------------------------------------

LD 980 proposed to do the following.

Sections 1 and 2 eliminate the requirement that insurers providing medical professional liability insurance report claims and information on the disposition of claims to the Attorney General.

Sections 3, 6, 10 and 11 reduce the reporting requirement for workers' compensation self-insurers to one report from two by eliminating the requirement that each individual self-insurer and group self-insurer report aggregate benefits paid and the annual standard premium to the Maine Self-Insurance Guarantee Association. This data would be filed with the Bureau of Insurance and the bureau would be responsible for its distribution to the Maine Department of Labor, Workers' Compensation Board and Maine Self-Insurance Guarantee Association.

Section 4 clarifies that forms filed with the bureau become public when effective, or if no effective date is provided, the forms become public when approved.

Section 5 clarifies that notice and mailing time requirements apply to the cancellation of casualty insurance policies that are in effect for 60 days or less.

Sections 7, 8 and 9 authorize the State or the University of Maine System to post security at the level of \$50,000 under the public employer provisions of the self-insurance laws. Those sections clarify that the valuation, net worth and bond rating tests apply only to municipalities and counties.

Committee Amendment "A" (H-148) proposed to allow workers' compensation self-insurers to report payrolls by class and experience modification factors for each calendar year to the Superintendent of Insurance instead of requiring the reporting of annual standard premium. Under the amendment, the superintendent determines annual standard premium based on the report filed by the self-insurer.

The amendment proposed to change the date required for submission of information to the Maine Self-Insurance Guarantee Association to May 15th and remove the amendment to Maine Revised Statutes, Title 24-A, section 237.

The amendment also adds a fiscal note to the bill.