

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

Staff:

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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).

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 1288

An Act to Adopt a Uniform Policy on Treatment of Medical Liens in Personal Injury Litigation

ONTP

Sponsor(s)
MILLS

Committee Report
ONTP

Amendments Adopted

LD 1288 proposed to expand the protection afforded insureds under the Maine Revised Statutes, Title 24-A, sections 2729-A and 2836 pertaining to limits of priority liens under group and health insurance policies to the medical payment provisions of a casualty insurance policy.

See related bills LD 309 and LD 1453.

LD 1314

An Act Concerning Costs Imposed by a Lender for Flood Hazard Analysis of Real Estate

ONTP

Sponsor(s)
VIGUE
JENKINS

Committee Report
ONTP

Amendments Adopted

LD 1314 proposed to preclude a mortgagee from assessing additional costs for flood hazard inspections if the appraisal of the subject real estate states that it is not located in a flood zone.

LD 1349

An Act to Reduce Insurance Premiums by Discouraging Insurance Fraud

PUBLIC 341

Sponsor(s)
MAYO
LAFOUNTAIN

Committee Report
OTP-AM

Amendments Adopted
H-446

LD 1349 proposed to address the growing financial problems posed by insurance fraud and to reduce insurance premiums by discouraging fraudulent insurance acts. This bill proposed to require an award of reasonable attorney's fees and costs, including investigative costs, to the prevailing party in a civil action in which it is proven that a person committed a fraudulent insurance act.

Committee Amendment "A" (H-446) replaced the requirement in the bill that the court award attorney's fees and costs to the prevailing party in a civil action in which it is proven that a fraudulent insurance act was committed. The amendment proposed to give the court discretion to award attorney's fees and costs to an insurer that prevails in a civil action and also allows the court to award attorney's fees and costs to the prevailing party in civil actions in which a fraudulent insurance act is not established at trial if the allegation is not supported by a reasonable basis.

The amendment also adds a fiscal note.