

# MAINE STATE LEGISLATURE

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**STATE OF MAINE  
119TH LEGISLATURE**

**FIRST REGULAR SESSION**

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

**JULY 1999**

**MEMBERS:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. Neria R. Douglass.*

*Sen. I. Joel Abromson*

*Rep. Jane W. Saxl, Chair*

*Rep. Christopher P. O'Neil*

*Rep. Joseph C. Perry*

*Rep. Benjamin F. Dudley*

*Rep. John G. Richardson, Jr.*

*Rep. Nancy B. Sullivan.*

*Rep. Arthur F. Mayo III*

*Rep. Sumner A. Jones, Jr.*

*Rep. Kevin J. Glynn*

*Rep. Robert W. Nutting*

**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 NINETEENTH LEGISLATURE**  
**FIRST REGULAR SESSION**

**Summary Of Legislation Before The Joint Standing and Select Committees**  
**August 1999**

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

The document is organized for convenient reference to information on bills considered by the committees. It is organized 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  
*ENACTMENT FAILED*..... Bill failed to get vote required for enactment or final passage  
*NOT PROPERLY BEFORE THE BODY*..... Ruled out of order by the presiding officers; bill died  
*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 September 18, 1999.

**Committee Amendment "A" (S-54)** proposed to correct a spelling error and add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 113 amends Maine’s audit report, holding company, examination, actuarial certification, credit for reinsurance and risk-based capital standards to bring them more into conformity with the current version of the National Association of Insurance, Commissioners, NAIC, model laws. The enacted law does the following:

1. It brings the audit report law into conformance with NAIC standards;
2. It adds a service of process provision and a requirement for information sharing between affiliates to the holding company law;
3. It establishes a procedural timetable for the issuance of examination reports;
4. It adds a reciprocity provision to the port of entry law;
5. It clarifies the trust requirements of the credit for reinsurance laws and enacts the “reinsurance-only” structure used by NAIC;
6. It implements NAIC’s health organization risk-based capital standards;
7. It provides a mechanism for service of process when a person required to appoint an agent fails to comply with that requirement;
8. It authorizes the redomestication of insurance corporations; and
9. It eases restrictions on financial institutions seeking to issue letters of credit to workers’ compensation self-insurers.

**LD 1197**

**An Act to Encourage the Acquisition of Long-term Care Insurance**

**ONTP**

<u>Sponsor(s)</u> HARRIMAN	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 1197 proposed to amend current law so that the Superintendent of Insurance may certify insurance policies covering nursing home and continuing or assisted-living care as long-term care policies. With this certification, the premiums paid for a policy covering nursing home and continuing care will be subtracted from federal adjusted gross income in computing Maine individual taxable income.

**LD 1205**

**An Act Concerning Access to Obstetrical and Gynecological Services Provided Through Managed Care Plans**

**ONTP**

<u>Sponsor(s)</u> MURRAY FULLER	<u>Committee Report</u> ONTP      MAJ OTP-AM    MIN	<u>Amendments Adopted</u>
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LD 1205 proposed to allow women enrolled in group managed care plans to receive primary, preventive and therapeutic obstetrics and gynecological services from an obstetrician/gynecologist, certified nurse practitioner or certified nurse