

# 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*

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**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.

**LD 1602**

**An Act to Expand Term Limits of Maine Employers' Mutual Insurance Company Directors**

**PUBLIC 120**

<u>Sponsor(s)</u> LAFOUNTAIN		<u>Committee Report</u> OTP		<u>Amendments Adopted</u>
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LD 1602 proposed to allow members of the Board of Directors of the Maine Employers' Mutual Insurance Company to serve three full terms instead of two full terms.

*Enacted law summary*

Public Law 1999, chapter 120 authorizes members of the Board of Directors of the Maine Employers' Mutual Insurance Company to serve three full terms.

**LD 1604**

**An Act to Create a Standard Small Group Health Plan**

**ONTP**

<u>Sponsor(s)</u> MILLS		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1604 proposed to establish a commission composed of the Superintendent of Insurance and two public members to define a minimum standard small group health plan. Current law requires the superintendent to define a standard small group health plan and a basic small group health plan. This bill proposed to require the commission in addition to design a third small group health plan, the annual premium for which cannot exceed 10% of the Maine average annual wage. To accomplish the goal of affordable premiums, the commission would have been authorized to define a plan that does not include mandated health benefits.

**LD 1608**

**An Act to Conform Maine's Consumer Credit Laws to Federal Law and Make Other Changes**

**PUBLIC 150**

<u>Sponsor(s)</u> LAFOUNTAIN		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-101
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LD 1608 proposed to conform certain portions of Maine's consumer credit laws to federal law and make other changes in order to reduce the regulatory burden on Maine lenders and to encourage out-of-state lenders to make loans in Maine.

**Committee Amendment "A" (S-101)** proposed to provide that consumers are entitled to a copy of a written agreement in a consumer credit transaction upon consummation of the transaction or within a reasonable period of time after the transaction in the case of transactions entered into by mail, telephone or electronic means.

The amendment proposed to allow a change in terms of unsecured open-end credit accounts involving a credit card to increase penalties, interest or other charges without requiring an offer by the creditor to finance the outstanding unpaid balance by separate loan arrangement at the prior rate of interest according to the prior repayment schedule.

The amendment proposed to provide that a person is entitled to one copy of a real estate appraisal from a creditor or financial institution if the request is made within 90 days after the creditor or financial institution has provided notice of

action taken on the application for credit or the date of the closing, whichever is later, or 90 days after the application is withdrawn.

The amendment also proposed to add a fiscal note to the bill.

***Enacted law summary***

Public Law 1999, chapter 150 conforms portions of Maine’s consumer credit laws to federal law and makes changes in those laws. It provides that consumers are entitled to a copy of a written agreement in a consumer credit transaction upon consummation of the transaction or within a reasonable period of time after the transaction. It allows unsecured open-end credit card accounts to increase penalties, interest or other charges without requiring an offer by the creditor to finance the outstanding unpaid balance by separate loan arrangement at the prior rate of interest according to the prior repayment schedule.

Public Law 1999, chapter 150 also provides that a person is entitled to one copy of a real estate appraisal from a creditor or financial institution if the request is made within 90 days after the creditor or financial institution has provided notice of action taken on the application for credit or the date of closing, whichever is later, or 90 days after the application is withdrawn.

**LD 1619**

**An Act to Create a Patients' Bill of Rights**

**CARRIED OVER**

Sponsor(s)  
LAWRENCE

Committee Report

Amendments Adopted

LD 1619 proposes to establish a "Patients' Bill of Rights" for Maine residents enrolled in HMO's and other health plans. It proposes to protect access to appropriate physicians and proper medical care and provide a means of recourse for patients who have been improperly denied such access. The bill proposes to:

1. Ensure access to obstetrical and gynecological care;
2. Ensure access to specialty care for seriously ill patients;
3. Ensure continuity of care when a physician is dropped from a health plan;
4. Ensure access to prescription drugs;
5. Ensure access to clinical trials;
6. Provide patients with access to an independent external review of decisions regarding health care coverage and services;
7. Prohibit offering financial incentives to providers to limit necessary and appropriate medical care;
8. Establish an independent consumer assistance program to provide assistance and advocacy services to patients in selecting a health insurance plan, utilizing the plan and filing grievances and appeals of plan decisions;
9. Provide patients with the right to sue their health plan if the plan's failure to exercise ordinary care in making treatment decisions causes an injury to a patient; and
10. Require health plans to disclose information about their costs, benefits and performance.