

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:

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Sen. Neria R. Douglass.

Sen. I. Joel Abromson

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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).

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.

1. Registration by an operator seeking to establish cash-dispensing machines in Maine;
2. Disclosure of the name, address and telephone number of the operator of the machine;
3. Maintenance of a toll-free number for consumer assistance;
4. Disclosure of the name, address and telephone number of the regulating agency; and
5. Cancellation of a transaction by a customer.

Public Law 1999, chapter 20 also gives the Director of the Office of Consumer Credit Regulation authority over cash-dispensing machines operated by entities other than financial institutions and credit unions and provides a penalty for failure to file notice and comply with the provisions of this law.

LD 2029 An Act to Update and Amend the Preferred Provider Arrangement Act CARRIED OVER

<u>Sponsor(s)</u> SAXL J ABROMSON	<u>Committee Report</u>	<u>Amendments Adopted</u>
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LD 2029 proposes to do the following:

1. It makes definitions in the Maine Revised Statutes, Title 24-A, chapter 32 more consistent with those in Title 24-A, chapter 56-A;
2. It adds geographic accessibility standards for preferred provider arrangements, consistent with those of health maintenance organizations;
3. It provides for the incorporation of downstream risk arrangements;
4. It requires a preferred provider administrator who handles money to be licensed as a third-party administrator, rather than being subject to separate standards as they are currently; and
5. It requires registered preferred provider arrangements to generate annual reports consistent with existing law.

LD 2029 has been carried over to the Second Regular Session.

This bill was submitted on behalf of the Department of Professional and Financial Regulation.

LD 2043 An Act to Clarify Underinsured Motor Vehicle Coverage CARRIED OVER

<u>Sponsor(s)</u> LAFOUNTAIN SAXL J	<u>Committee Report</u>	<u>Amendments Adopted</u> S-204
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LD 2043 proposes to amend the laws governing underinsured vehicle coverage to address problems created in certain cases when more than one person is injured in an accident. It proposes to amend the provision of law identified in Mullen v. Liberty Mutual Insurance Co., 589 A.2d 1275 (Me. 1991) that denies a consumer the full benefit of the purchased insurance coverage in certain circumstances.

In Mullen v. Liberty Mutual Insurance Co., the Supreme Judicial Court determined that under current law the victim of a negligent motorist may be denied the full benefit of the uninsured motorist insurance purchased if multiple people are injured. This bill proposes to amend the provision of law construed in Mullen and ensures that a person who is injured in an automobile accident is covered to the full extent of the underinsured motorist coverage purchased.

Committee Amendment "A" (S-204) is the majority report of the committee. It proposes to clarify that the bill is not intended to affect the validity of "no consent to settlement" clauses in motor vehicle insurance policies and contracts.

LD 2043 was carried over to the Second Regular Session.

LD 2049 An Act Providing Recourse and Protection to Vendors Receiving Bad Checks ONTP

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

LD 2049 proposed to authorize financial institutions to provide certain information on closed accounts to merchants.

LD 2058 An Act Relative to Insurance Compliance Self-audit CARRIED OVER

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

LD 2058 proposes to encourage insurers to engage in self-auditing functions to facilitate compliance with the Maine Insurance Code.

LD 2058 has been carried over to the Second Regular Session.

LD 2059 An Act to Establish the Maine Single-payor Health Care Plan and to Restructure the State Tax System ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VOLENIK PINGREE	ONTP MAJ OTP-AM MIN	

LD 2059, Part A, proposed to establish the Maine Single-payor Health Care Plan. It proposed to establish the Department of Health Security as an independent agency to administer the plan. Under the plan, enrollees would have paid premiums to the plan and would have chosen their own health care providers and the plan would have paid their bills. Coverage under the plan would have been supplemental to other coverage. The bill proposed to require a report from the Commissioner of Health Security to the joint standing committee of the Legislature having jurisdiction over human resource matters on the options for coordination of the plan with other health plans and for the plan to take over coverage of some persons covered by those health plans. The bill proposed to require an annual report from the commissioner to the Governor and the Legislature on the operation and activities of the plan.