

MAINE STATE LEGISLATURE

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STATE OF MAINE
119TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BANKING AND INSURANCE

JULY 2000

MEMBERS:

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Sen. Neria R. Douglass

Sen. I. Joel Abromson

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ONE HUNDRED NINETEENTH LEGISLATURE
SECOND REGULAR SESSION

Summary Of Legislation Before The Joint Standing Committees
July 2000

We are pleased to provide this summary of 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:

<i>CON RES XXX</i>	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN BODIES</i>	<i>House & Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i>	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i>	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i>	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i>	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i>	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i>	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i>	<i>Bill Indefinitely Postponed</i>
<i>ONTP</i>	<i>Ought Not To Pass report accepted</i>
<i>OTP ND</i>	<i>Committee report Ought To Pass In New Draft</i>
<i>OTP ND/NT</i>	<i>Committee report Ought To Pass In New Draft/New Title</i>
<i>P&S XXX</i>	<i>Chapter # of enacted Private & Special Law</i>
<i>PUBLIC XXX</i>	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i>	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i>	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's Veto</i>

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is August 11, 2000.

David E. Boulter, Director
 Offices Located in the State House, Rooms 101 & 107

Enacted law summary

Public Law 1999, chapter 560 requires the registration and regulation of nonprofit debt management service providers by the Department of Professional and Financial Regulation, Office of Consumer Credit Regulation. For-profit organizations that provide debt management services are prohibited. Nonprofit debt management service providers provide services on a voluntary basis to consumers to restructure their consumer credit obligations and to revise their terms of repayment, often by securing debt restructuring agreements with creditors.

Public Law 1999, chapter 560 requires that consumer funds be deposited in a trust account and be paid over to creditors on the consumer's behalf within 15 days of receipt of the funds. It prohibits debt management service providers from performing debt management services for a consumer unless the services are provided pursuant to a written agreement with the consumer. Debt management service providers are also prohibited from purchasing debt, providing credit to consumers, operating as a debt collector, obtaining a mortgage or other security interest in a consumer's property and structuring agreements that would result in negative amortization of a consumer's obligations to creditors.

Public Law 1999, chapter 560 was enacted as an emergency effective March 15, 2000.

LD 2264

An Act Relating to Certain Commercial Insurance Contracts

PUBLIC 538

<u>Sponsor(s)</u> LAFOUNTAIN		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u> S-472
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LD 2264 proposed to amend the definition of large commercial policyholder to clarify that the premium threshold for property and casualty insurance premiums remains \$50,000 after January 1, 2003.

Committee Amendment "A" (S-472) proposed to correct a cross-reference.

Enacted law summary

Public Law 1999, chapter 538 clarifies that a large commercial policyholder must continue to satisfy the \$50,000 premium threshold for property and casualty insurance after January 1, 2003 in order to qualify for reduced regulation of large commercial insurance policies by the Bureau of Insurance.

Public Law 1999, chapter 538 applies retroactively to September 18, 1999.

LD 2283

An Act to Realign Capital Requirements for Specialty Bank Charters

PUBLIC 539

<u>Sponsor(s)</u> LAFOUNTAIN		<u>Committee Report</u> OTP		<u>Amendments Adopted</u>
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