

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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Maine State Legislature
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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:

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
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 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

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GOLDTHWAIT STANWOOD	OTP-AM	S-521

LD 2373 proposed to amend the laws governing mortuary trust funds as follows.

1. It requires that, if money is paid by check, share draft or money order under a prearranged funeral or burial plan, the payee must instruct the payor to make the instrument payable to the financial institution into which it is to be deposited.
2. It requires prearranged funeral and burial plan agreements to state the name of the financial institution into which the money will be deposited and directs the payor to send a copy of the agreement to the named institution.
3. It requires the payee to keep complete records, including the name and address of the institution currently in possession of the funds.
4. Current law allows the payee to withdraw funds on the instructions of the payor. The bill allows the payee only to direct the funds to another institution or to the payor. The funds may be withdrawn by the payee only upon the death of the beneficiary.

Committee Amendment "A" (S-521) proposed to require that the names of the mortuary trustee and the person for whose benefit the payment is made appear on the check, share draft or money order made payable to the financial institution or credit union into which mortuary trust funds are to be deposited. The amendment also would require that withdrawal of mortuary trust funds may be made only upon presentation of a certified copy of the death certificate of the person for whose benefit the funds were paid. The amendment also would clarify the liability of a financial institution or credit union for payment of funds in a mortuary trust account.

The amendment also proposed to add an emergency preamble, emergency clause and a fiscal note to the bill.

Enacted law summary

Public Law 1999, chapter 590 changes the laws governing mortuary trust funds.

1. It requires that if money is paid by check, share draft or money order under a prearranged funeral or burial plan, the funeral director must instruct the individual making the payment to make the instrument payable to the financial institution into which the funds are to be deposited and to include the names of the funeral director as mortuary trustee and the person for whose benefit the payment is made on the check, share draft or money order.

2. It requires that prearranged funeral and burial plan agreements state the name of the financial institution into which the money is to be deposited and directs the individual establishing the plan to send a copy of the agreement to that financial institution.
3. It to requires the funeral director or mortuary trustee to keep complete records, including the name and address of the financial institution or credit union where the funds are currently deposited.
4. It requires that funds may only be transferred to another institution or directed to the person who established the fund.
5. It requires that funds may be withdrawn by the mortuary trustee only upon presentation of a certified copy of the death certificate of the person for whose benefit the funds were paid.

Public Law 1999, chapter 590 was enacted as an emergency effective March 28, 2000.

LD 2408 **Resolve, to Create a Blue Ribbon Commission to Study the
Creation of a Public/Private Purchasing Alliance to Ensure Access
to Health Care for all Maine Citizens** **ONTP**

<u>Sponsor(s)</u> SAXL J	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 2408, which was a concept draft pursuant to Joint Rule 208, proposed to create a blue ribbon commission to study the creation of a public/private purchasing alliance in order to ensure access to health care for all Maine citizens.

See related joint order, HP 1857.

LD 2423 **An Act to Allow Privately Acquired Catastrophic Insurance
Coverage to Supplement the Cub Care Program** **ONTP**

<u>Sponsor(s)</u> SHERMAN	<u>Committee Report</u> ONTP	<u>Amendments Adopted</u>
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LD 2423 proposed to modify the Cub Care law to allow retention of privately provided catastrophic insurance coverage for children, which would serve to supplement coverage under the Cub Care program.