

MAINE STATE LEGISLATURE

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*State Of Maine
120th Legislature*

First Regular Session

Bill Summaries

*Joint Standing Committee
on
Banking and Insurance*

August 2001

Members:

Sen. Lloyd P. LaFountain III, Chair

Sen. I. Joel Abromson

Sen. Neria R. Douglass

Rep. Christopher P. O'Neil, Chair

Rep. Benjamin F. Dudley

Rep. Nancy B. Sullivan

Rep. Marilyn E. Canavan

Rep. Lisa T. Marrache

Rep. William J. Smith

Rep. Arthur F. Mayo III

Rep. Kevin J. Glynn

Rep. Florence T. Young

Rep. John M. Michael

Staff:

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Maine State Legislature
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120th Legislature
First Regular Session

Summary Of Legislation Before The Joint Standing Committees
August 2001

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing 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 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*
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 First Regular Session (unless otherwise specified in a particular law) is **September 21, 2001**.

David E. Boulter, Director
 Offices Located in the State House, Rooms 101/107/135

Joint Standing Committee on Banking and Insurance

Part B of the bill proposed to increase the amount of penalties the Superintendent of Insurance may assess against corporations or other entities for violations of the insurance laws or rules from \$2,000 per violation to \$10,000 per violation.

Committee Amendment "A" (H-199) proposed to clarify the definition of a "consumer complaint" for the purposes of calculating complaint ratios. It defined a "consumer complaint" as a written complaint that results in the need for the bureau to conduct further investigation or to communicate in writing with a regulated entity for a response or resolution to the complaint.

The amendment also added a fiscal note to the bill.

Enacted law summary

Public Law 2001, chapter 165 eliminates the requirement that the Bureau of Insurance consider only defined "substantiated" complaints in calculating and publicizing complaint ratios that compare insurers by the number of written complaints received by the Bureau of Insurance proportionate to insurer market share by lines of business. Instead, the law clarifies that a "consumer complaint" is a written complaint that results in the need for the Bureau of Insurance to conduct further investigation or communicate in writing with a regulated entity for a response or resolution to the complaint. It also provides that future rules adopted by the Bureau related to complaint ratios are routine technical, rather than major substantive rules.

Public Law 2001, chapter 165 also increases the amount of penalties the Superintendent of Insurance may assess against corporations or other entities for violations of the insurance laws or rules from \$2,000 per violation to \$10,000 per violation.

LD 429

An Act to Change the Name of the Bureau of Banking in Order to Accurately Reflect the Scope and Variety of Entities Regulated by the Bureau

PUBLIC 44

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL DOUGLASS	OTP-AM	H-50

LD 429 proposed to change the name of the Bureau of Banking to the Bureau of Financial Institutions and the name of the Superintendent of Banking to the Superintendent of Financial Institutions.

Committee Amendment "A" (H-50) proposed to add a provision clarifying that any official action taken by the Superintendent of Banking remains in force after the law takes effect as if it were issued by the Superintendent of Financial Institutions. The amendment also added an effective date of January 1, 2002 to the bill and a fiscal note.

Enacted law summary

Public Law 2001, chapter 44 changes the name of the Bureau of Banking to the Bureau of Financial Institutions and the name of the Superintendent of Banking to the Superintendent of Financial Institutions.

