

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*

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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

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nonprofit hospital and medical service organization or health maintenance organization pursuant to the Maine Revised Statutes, Title 24-A, section 222, subsection 7.

2. It allows the Superintendent of Insurance to decide the scope of an advocacy panel and permits contracting for those services if existing Bureau of Insurance resources are not adequate.
3. It removes the provision on intervenor funding.
4. It requires annual reports from the Bureau of Insurance, within the Department of Professional and Financial Regulation, on the number of advocacy panels as well as an evaluation of the usefulness of advocacy panels.
5. It clarifies that the provisions apply to health insurers, nonprofit hospital and medical service organizations and health maintenance organizations that issue health plans in this State.
6. It also adds a subsection that repeals Title 24-A, section 205-A on October 1, 2006 unless the section is continued or modified by law.
7. It also adds an allocation section and a fiscal note to the bill.

Committee Amendment "A" was adopted in the House, but was not adopted in the Senate.

House Amendment "A" to Committee Amendment "A" (H-678) proposed to allow the Bureau of Insurance to hire additional staff or contract for the services of an advocacy panel to represent the interests of consumers and the public in a proceeding regarding a rate filing for an individual health plan. This amendment replaced the allocation section in Committee Amendment "A" and also corrected a statutory reference to reflect changes made by laws previously enacted this session. House Amendment "A" was adopted in the House, but was not adopted in the Senate.

Senate Amendment "A" to Committee Amendment "A" (S-305) proposed to allow the Bureau of Insurance to hire additional staff or contract for the services of an advocacy panel to represent the interests of consumers and the public in a proceeding regarding a rate filing for an individual health plan. This amendment replaced the allocation section in Committee Amendment "A" and also corrected a statutory reference to reflect changes made by laws previously enacted this session. Senate Amendment "A" was not adopted.

LD 593

**An Act to Establish the Office of Securities within the Department
of Professional and Financial Regulation**

PUBLIC 182

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL DOUGLASS	OTP-AM	H-238

LD 593 was submitted on behalf of the Department of Professional and Financial Regulation.

LD 593 proposed to move the Securities Division from the Bureau of Banking to a separate office within the Department of Professional and Financial Regulation to be known as the "Office of Securities." The Securities Administrator is appointed by the Commissioner of Professional and Financial Regulation for a term coterminous

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with the term of Governor and may be removed for cause. The administrator is given compensation commensurate with other agency heads within the Department of Professional and Financial Regulation and is given like authority to appoint and train personnel, cooperate and contract with other agencies and organize the Office of Securities. The administrator may also delegate the administrator's duties and authorities to senior office personnel. The substantive regulatory authority of the agency and the administrator remain unchanged.

Committee Amendment "A" (H-238) proposed to clarify that the position of Administrator of the Office of Securities is a major policy-influencing position within the department.

Enacted law summary

Public Law 2001, chapter 182 moves the Securities Division from the Bureau of Banking to a separate office within the Department of Professional and Financial Regulation to be known as the "Office of Securities." The Securities Administrator is appointed by the Commissioner of Professional and Financial Regulation for a term coterminous with the term of the Governor, and may be removed for cause. The administrator is given compensation commensurate with other agency heads within the Department of Professional and Financial Regulation and is given like authority to appoint and train personnel, cooperate and contract with other agencies and organize the Office of Securities. The administrator may also delegate the administrator's duties and authorities to senior office personnel. The substantive regulatory authority of the agency and the administrator remain unchanged.

LD 594 **An Act to Require Health Insurance Providers to Maintain Benefits During the Contract Term** **ONTP**

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

LD 594 proposed to require an insurer who enters into a health insurance binder with an employer to provide any health benefit to employees that the employer is contractually obliged to provide to employees during the term of the contract or risk a fine, suspension or revocation of the insurer's certificate of authority on being sued in Superior Court by any aggrieved parties.

LD 599 **An Act to Eliminate Maine Employers' Mutual Insurance Company Industry and Geographic Divisions and Related Advisory Boards and Other Outdated Provisions** **PUBLIC 350**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL LAFOUNTAIN	OTP-AM	H-198 H-266 O'NEIL

LD 599 proposed to update the charter of the Maine Employers' Mutual Insurance Company, or MEMIC.