

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

*State Of Maine
120th Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Banking and Insurance*

May 2002

Members:

Sen. Lloyd P. LaFountain III, Chair

Sen. Mary E. Small

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:

Colleen McCarthy Reid, Legislative Analyst

Office of Policy and Legal Analysis

13 State House Station

Augusta, ME 04333

(207) 287-1670



Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

13 State House Station, Augusta, Maine 04333-0013
Telephone: (207) 287-1670
Fax: (207) 287-1275

120th Legislature
Second Regular Session

Summary Of Legislation Before The Joint Standing Committees
May 2002

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 arranged alphabetically by committee name 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
PASSED	Joint Order passed in both bodies
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 July 25, 2002.

Patrick T. Norton, Interim Director
Offices located in Room 215 of the Cross Office Building

Joint Standing Committee on Banking and Insurance

LD 1554

An Act to Allow Health Insurance Premiums to be Eligible for Medical Savings Accounts

ONTP

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

LD 1554 was carried over from the First Regular Session. The bill proposed to allow residents of the State to establish medical savings accounts for payment of eligible medical expenses, including the payment of health insurance premiums, coinsurance, copayments and deductibles. Contributions to, interest earned on and qualified withdrawals from medical savings accounts would have been exempt from Maine state income tax.

Committee Amendment "A" (H-1048) was the minority report of the committee and replaced the bill. It would provide enabling legislation for health insurance carriers to offer medical savings accounts in conjunction with health insurance for policyholders in the individual health insurance market. Medical savings accounts must conform to the requirements for the accounts under federal law. Individuals with medical savings accounts are eligible for a federal tax deduction for contributions to the accounts and are not taxed for withdrawals to pay qualified medical expenses. The amendment did not propose to create any state income tax deduction or exemption for contributions or qualified withdrawals from medical savings accounts. The amendment also would require the Department of Professional and Financial Regulation, Bureau of Insurance to provide technical assistance to those companies that offer medical savings accounts in conjunction with individual health insurance policies within the bureau's existing resources. The legislation would be repealed upon the repeal of federal legislation authorizing medical savings accounts. The amendment also added a fiscal note to the bill. Committee Amendment "A" was not adopted.

House Amendment "A" to Committee Amendment "A" (H-1058) proposed to make contributions to, interest earned on and qualified withdrawals from individual medical savings accounts exempt from Maine state income tax. The provision would be repealed upon the repeal of federal legislation authorizing individual medical savings accounts. House Amendment "A" to Committee Amendment "A" was not adopted.

LD 1627

An Act to Ensure Equality in Mental Health Coverage

**VETO
SUSTAINED**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DUDLEY	OTP-AM MAJ	H-1052
DOUGLASS	OTP-AM MIN	H-1077 DUDLEY

LD 1627 was carried over from the First Regular Session. The bill proposed to establish parity coverage for mental illness and substance abuse under the same terms and conditions as coverage for physical illness in all health insurance policies and health benefit plans. LD 1627 would expand the coverage of illness to include children's disorders and adult disorders as defined in the Diagnostic and Statistical Manual of Mental Disorders, as periodically revised, and would make current statutory definitions consistent. The bill also would include licensed clinical professional counselors in the definition of providers eligible to diagnose and treat mental illness.