

MAINE STATE LEGISLATURE

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*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 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.

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 1880

**An Act to Reduce Identity Theft by Regulating Electronically
Printed Credit Card and Debit Card Receipts**

PUBLIC 527

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MITCHELL B COLWELL	OTP-AM	S-426

LD 1880 proposed to prohibit a person from issuing to a cardholder a credit card receipt that contains more than the last 5 digits of the credit card or contains the expiration date. The bill would not apply if the only means of recording the card number is by handwriting or imprint. LD 1880 proposed to take effect January 1, 2004.

Committee Amendment "A" (S-426) replaced the bill. The amendment proposed to prohibit a person from issuing to a cardholder a credit card or debit card receipt that contains more than the last 5 digits of the credit card or debit card account number or contains the expiration date. The amendment would not apply if the only means of recording the card number is by handwriting or imprint. The amendment allocated the provisions to the Maine Revised Statutes, Title 10 and retained the effective date of January 1, 2004. It also added a fiscal note to the bill.

Enacted law summary

Public Law 2001, chapter 527 prohibits a business or merchant from issuing to a cardholder a credit card or debit card receipt that contains more than the last 5 digits of the credit card or debit card account number or contains the expiration date. The law does not apply if the only means of recording the card number is by handwriting or imprint.

Public Law 2001, chapter 527 has a delayed effective date of January 1, 2004.

LD 1959

**An Act to Eliminate Department of Professional and Financial
Regulation, Bureau of Insurance Travel Restrictions for Obtaining
Health Care**

**DIED BETWEEN
BODIES**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MAYO EDMONDS	OTP-AM MAJ OTP-AM MAJ	

LD 1959 proposed to override current Department of Professional and Financial Regulation, Bureau of Insurance rules that restrict travel distances for obtaining health care by allowing patients enrolled in health maintenance organizations to seek appropriate care in centers of excellence outside of the standard travel area. The bill also would require that the Superintendent of Insurance define "center of excellence" under rule-making authority that already exists under statutes.

Committee Amendment "A" (H-965) is the majority report of the committee and replaced the bill. The amendment proposed to authorize the Superintendent of Insurance to approve a pilot project allowing a carrier to offer a health plan exempt from the statutory and regulatory provisions relating to geographic access standards. Health plans offered under an approved pilot project must comply with all other

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provisions of the Maine Insurance Code. The amendment also proposed to authorize the approval of pilot projects for multistate health insurance products by the superintendent under the same conditions. The provision would be repealed January 1, 2008. The amendment also adds a fiscal note to the bill.

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

Committee Amendment "B" (H-966) is the minority report of committee and replaced the bill. The amendment proposed to authorize the Superintendent of Insurance to approve a pilot project allowing a carrier to offer a health plan meeting the exception to the travel distance standards in Bureau of Insurance Rule Chapter 850 if the plan satisfied quality standards and cost indicators adopted by rule by the Superintendent of Insurance. The amendment would limit the distances that enrollees may be required to travel for services to no more than 50% above the current limit for that particular type of service. Health plans offered under an approved pilot project must comply with all other provisions of the Maine Insurance Code. The amendment also proposed to authorize the approval by the superintendent of pilot projects for multistate health insurance products under the same conditions. The provision would be repealed January 1, 2005. The amendment also added an appropriation and an allocation section and a fiscal note to the bill.

Committee Amendment "B" was not adopted.

Senate Amendment "A" to Committee Amendment "A" (S-505) proposed to define the permissible pilot project area as Sagadahoc County and northeast Cumberland County only. Senate Amendment "A" to Committee Amendment "A" was not adopted.

LD 1976

An Act to Modify Investment-related Insurance Company Provisions of the Maine Insurance Code

PUBLIC 524

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL	OTP-AM	H-812 S-439 LAFOUNTAIN

LD 1976 proposed to permit property, casualty and nonlife insurers, upon prior approval of the Superintendent of Insurance, to invest more than 10% of their assets in qualifying indexed mutual funds managed by one investment firm.

Committee Amendment "A" (H-812) replaced the bill. The amendment proposed to permit property and casualty and life and health insurers to invest up to 20% of their assets in qualifying index mutual funds with the prior approval of the Superintendent of Insurance. The amendment also proposed to make technical corrections to the admitted assets and valuation provision to clarify the intent of Public Law 2001, chapter 72. The amendment also added a fiscal note to the bill.

Senate Amendment "A" to Committee Amendment "A" (S-439) proposed to repeal and replace the provision to clarify the permissible criteria used by the Superintendent of Insurance to recognize admitted assets and to value assets and liabilities.

Enacted law summary