

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*

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Maine State Legislature
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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

Public Law 2001, chapter 524 permits 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 law also clarifies the provision outlining the criteria used by the Superintendent of Insurance to recognize admitted assets and to value assets and liabilities of insurance companies.

LD 1999

An Act to Clarify Recent Amendments to the Maine Consumer Credit Code

**PUBLIC 482
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'NEIL	OTP	

LD 1999 proposed to clarify that if a deferral of a first period payment is for an excess of 90 days then no interest or costs may accrue in connection with the entirety of that deferral. If a deferral is for 90 days or less, then interest may accrue in connection with such a deferral. This bill would clarify the intent of Public Law 2001, chapter 82, which was enacted in the First Regular Session of the 120th Legislature.

Enacted law summary

Public Law 2001, chapter 482 clarifies the intent of Public Law 2001, chapter 82, which was enacted in the First Regular Session of the 120th Legislature. The law allows interest to accrue in connection with a deferral of a first periodic payment of a loan if the deferral is for 90 days or less. Interest or costs may not accrue in connection with the entirety of a deferral that exceeds 90 days.

Public Law 2001, chapter 482 was enacted as an emergency measure effective February 21, 2002.

LD 2138

Resolve, Regarding Legislative Review of Portions of Chapter 750: Standardized Health Plans, Part II HMO Guidelines, a Major Substantive Rule of the Department of Professional and Financial Regulation

**RESOLVE 118
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
	OTP	

LD 2138 proposed to authorize final adoption of portions of Chapter 750: Standardized Health Plans, Part II HMO Guidelines, a major substantive rule of the Department of Professional and Financial Regulation.

Joint Standing Committee on Banking and Insurance

Enacted law summary

Resolve 2001, chapter 118 authorizes final adoption of portions of Chapter 750: Standardized Health Plans, Part II HMO Guidelines, a major substantive rule of the Department of Professional and Financial Regulation.

Resolve 2001, chapter 118 was enacted as an emergency measure effective April 11, 2002.

LD 2146

An Act to Establish the Maine Consumer Choice Health Plan

PUBLIC 708

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BENNETT	OTP-AM	S-530 S-548 LAFOUNTAIN S-606 GOLDTHWAIT

LD 2146 proposed to establish the Maine Consumer Choice Health Plan as an independent executive agency to negotiate and provide health care coverage to residents of Maine, including individuals and employers.

Committee Amendment "A" (S-530) replaced the bill. It proposed to establish the Maine Consumer Choice Health Plan as an independent executive agency to act as a purchasing alliance open to individuals and small employers. The Maine Consumer Choice Health Plan is governed by a 5-member board of directors appointed by the Governor and confirmed by the Legislature. The Maine Consumer Choice Health Plan is required to contract with participating health insurance carriers to offer at least 3 health benefit plans to enrollees, a fee-for-service plan, a managed care plan and a point-of-service plan. The amendment also added a fiscal note to the bill.

Senate Amendment "A" to Committee Amendment "A" (S-548) proposed to require the Board of Directors of the Maine Consumer Choice Health Plan to report jointly with the Superintendent of Insurance and the joint standing committee of the Legislature having jurisdiction over insurance matters regarding the feasibility of requiring insurance carriers to offer only board-authorized plans.

Senate Amendment "B" to Committee Amendment "A" (S-606) proposed to reduce from \$750,000 to \$700,000 the cap on funds used as a working capital advance for the initial operating expenses of the Maine Consumer Choice Health Plan.

Enacted law summary

Public Law 2001, chapter 708 establishes the Maine Consumer Choice Health Plan as an independent executive agency to act as a voluntary purchasing alliance open to individuals and small employers of 50 or fewer employees. The Maine Consumer Choice Health Plan is governed by a 5-member board of directors appointed by the Governor and confirmed by the Legislature. The Maine Consumer Choice Health Plan is required to contract with participating health insurance carriers to offer at least 3 health benefit plans to enrollees: a fee-for-service plan, a managed care plan and a point-of-service plan.