

# MAINE STATE LEGISLATURE

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*State Of Maine  
121st Legislature*

*Second Regular Session and  
Second Special Session*

*Bill Summaries*

*Joint Standing Committee  
on  
Insurance and Financial Services*

*May 2004*

**Members:**

*Sen. Lloyd P. LaFountain III, Chair*

*Sen. Neria R. Douglass*

*Sen. Arthur F. Mayo III*

*Rep. Christopher P. O'Neil, Chair*

*Rep. Marilyn E. Canavan*

*Rep. Joseph C. Perry*

*Rep. Bonita J. Breault*

*Rep. Anne C. Perry*

*Rep. Kevin J. Glynn*

*Rep. Florence T. Young*

*Rep. Lois A. Snowe-Mello*

*Rep. Michael A. Vaughan*

*Rep. Richard G. Woodbury*

**Staff:**

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*13 State House Station*

*Augusta, ME 04333*

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## *Maine State Legislature*

### *Office Of Policy And Legal Analysis Office Of Fiscal And Program Review*

#### *121st Maine Legislature Second Regular Session and Second Special Session*

#### *Summary Of Legislation Before The Joint Standing Committees*

Enclosed please find a summary of all bills, resolves, joint study orders, joint resolutions and Constitutional resolutions that were considered by the joint standing and joint 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/billsumm.htm](http://www.state.me.us/legis/opla/billsumm.htm)).

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
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 that the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is April 30, 2004; and non-emergency legislation enacted in the Second Special Session is July 30, 2004. Four bills (LD's 1572, 1629, 1636 and 1637) that were considered at the First Special Session in August 2003 are also included in these summaries.

*David C. Elliott, Director*

**Offices located in Room 215 of the Cross Office Building**

## *Joint Standing Committee on Insurance and Financial Services*

**LD 1802**

### **An Act To Permit the Photocopying of Driver's Licenses in Financial Transactions**

**PUBLIC 568  
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BOWLES	OTP-AM MAJ	H-683
DAVIS P	OTP-AM MIN	

Current law prohibits the photocopying of a driver's license without the permission of the Secretary of State. LD 1802 proposed to allow the photocopying of a driver's license when done for proof of identification during the consummation of a major financial transaction, as determined by the Secretary of State through rulemaking.

**Committee Amendment "A" (H-683)** replaced the bill and is the majority report of the committee. The amendment proposed to authorize a person to make a photocopy of a driver's license without the written consent of the Secretary of State if the photocopy is made solely for identification purposes to consummate a financial transaction, for verification that a commercial driver's license has been issued or for motor vehicle loaner and demonstration purposes. The amendment also proposed to restrict the further disclosure of the photocopy unless permitted by another applicable law.

The amendment added an emergency preamble and emergency clause.

**Committee Amendment "B" (H-684)** replaced the bill and is the minority report of the committee. The amendment proposed to authorize a person to make a photocopy of a driver's license without the written consent of the Secretary of State if the person obtains the written consent of the holder of the driver's license. The amendment also proposed to restrict the further disclosure of the photocopy or electronic file unless permitted by another applicable law.

The amendment added an emergency preamble and emergency clause. Committee Amendment "B" was not adopted.

**House Amendment "A" to Committee Amendment "A" (H-707)** proposed to limit the exemption of the requirement that the Secretary of State consent in writing to the photocopying of a driver's license to instances when the photocopy is being made solely for identification purposes to consummate a financial transaction with a financial services entity regulated pursuant to the Maine Revised Statutes, Title 9-A, the Maine Consumer Credit Code, or Title 9-B, which concerns financial institutions. This amendment also proposed to clarify that any reproduction of a driver's license or certificate of registration permitted under that subsection of law must be kept secure and may not be published or reproduced. House Amendment "A" to Committee Amendment "A" was not adopted.

**House Amendment "B" to Committee Amendment "A" (H-726)** proposed to limit the exemption of the requirement that the Secretary of State consent in writing to the photocopying of a driver's license to instances when the photocopy is being made solely for identification purposes to consummate a financial transaction with a financial services entity or its subsidiary regulated pursuant to the Maine Revised Statutes, Title 9-A, the Maine Consumer Credit Code, or Title 9-B, which concerns financial institutions. This amendment also proposed to clarify that any reproduction of a driver's license or certificate of registration permitted under that subsection of law

## *Joint Standing Committee on Insurance and Financial Services*

must be kept secure and may not be published or reproduced. House Amendment "B" to Committee Amendment "A" was not adopted.

**House Amendment "C" to Committee Amendment "A" (H-736)** proposed to provide that a person who makes a photocopy of a driver's license without the written consent of the Secretary of State does not commit a crime. The amendment also requires that, beginning in 2006, all driver's licenses must contain a warning related to disclosure of personal information displayed on a license. House Amendment "C" to Committee Amendment "A" was not adopted.

**House Amendment "D" to Committee Amendment "A" (H-747)** proposed to limit the exemption of the requirement that the Secretary of State consent in writing to the photocopying of a driver's license to instances when the photocopy is being made solely for identification purposes to consummate a financial transaction with a financial services entity or its subsidiary regulated pursuant to the Maine Revised Statutes, Title 9-A, the Maine Consumer Credit Code, or Title 9-B, which concerns financial institutions. This amendment also proposed to clarify that any reproduction of a driver's license or certificate of registration permitted under that subsection of law must be kept secure and may not be published or reproduced. House Amendment "D" to Committee Amendment "A" was not adopted.

### ***Enacted Law Summary***

Public Law 2003, chapter 568 authorizes a person to make a photocopy of a driver's license without the written consent of the Secretary of State if the photocopy is made solely for identification purposes to consummate a financial transaction, for verification that a commercial driver's license has been issued or for motor vehicle loaner and demonstration purposes. The law also restricts the further disclosure of the photocopy unless permitted by another applicable law.

Public Law 2003, chapter 568 was enacted as an emergency measure effective March 24, 2004.

**LD 1853**

### **An Act To Amend the Laws Relating to Property and Casualty Insurance and To Authorize the Superintendent of Insurance To Establish a Mandatory Market Assistance Program**

**PUBLIC 671**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
TREAT PERRY A	OTP-AM	H-908 O'NEIL S-489

LD 1853 proposed to prohibit an insurer from canceling or refusing to issue or renew a property insurance policy subject to the Maine Revised Statutes, Title 24-A, chapter 41, subchapter 5, the so-called "Maine Property Insurance Cancellation Control Act," solely on the basis of the age of the dwelling. The bill proposed to prohibit an insurer from declining to insure a property subject to the Maine Property Insurance Cancellation Control Act on the basis that a previous owner of the property submitted claims for losses to the property. The bill proposed to prohibit insurers from increasing the stated value of a property insured under a policy governed by the Maine Property Insurance Cancellation Control Act at any time other than at renewal. The bill also proposed to require insurers to provide notice to the named insured explaining the reason for any increase in premium associated with an increase in stated value and disclose how an insured may obtain additional information that led to the increase in value. The bill would require an insurer to provide advance notice of needed property repairs to a policyholder and