

MAINE STATE LEGISLATURE

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*State Of Maine
122nd Legislature*

Second Regular Session

Bill Summaries

*Joint Standing Committee
on
Insurance and Financial Services*

July 2006

Members:

Sen. Nancy B. Sullivan, Chair

Sen. Arthur F. Mayo III

Sen. Peter Mills

Rep. Anne C. Perry, Chair

Rep. Lisa T. Marrache

Rep. John R. Brautigam

Rep. Charles William Harlow

Rep. Donald E. Pilon

Rep. Kevin J. Glynn

Rep. Michael A. Vaughan

Rep. R. Kenneth Lindell

Rep. Jonathan B. McKane

Rep. Wesley E. Richardson

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 Office of Fiscal and Program Review

122nd Maine Legislature Second Regular 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 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).

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 (Pocket Veto).....	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 August 23, 2006.

Joint Standing Committee on Insurance and Financial Services

and Human Services to provide financial institutions with training materials and instructions for compliance with the mandatory reporting requirements in the bill.

LD 1783

**An Act To Amend the Maine Consumer Credit Code as It Relates
to Finance Charges for Loans on Open-end Credit**

PUBLIC 484

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN PERRY A	OTP-AM	S-451

LD 1783 proposed to exempt home equity lines of credit accessed by a credit card from the provision of law that prohibits the imposition of a finance charge on purchases made during a billing cycle if the purchases are paid for no later than 25 days after the closing date of that billing cycle.

Committee Amendment “A” (S-451) proposed to clarify that home equity lines of credit accessed by a credit card are still subject to the Maine Consumer Credit Code provisions limiting the maximum interest rate for home equity lines of credit to 18%.

Enacted law summary

Public Law 2005, chapter 484 exempts home equity lines of credit accessed by a credit card from the provision of law that prohibits the imposition of a finance charge on purchases made during a billing cycle if they are paid for no later than 25 days after the closing date of that billing cycle. The law also clarifies that home equity lines of credit accessed by a credit card are still subject to the Maine Consumer Credit Code provisions limiting the maximum interest rate for home equity lines of credit to 18%.

LD 1801

An Act To Amend the Maine Insurance Guaranty Association Act

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN PERRY A	ONTP	

LD 1801 proposed to permit the Workers’ Compensation Board to audit workers’ compensation claims administered by the Maine Insurance Guaranty Association for the purpose of reviewing the timeliness of claims payments and whether the association is unreasonably contesting claims. Under current law, the Workers’ Compensation Board does not have that authority.

A related bill, LD 2068, An Act Regarding the Maine Insurance Guaranty Association, was considered by the Joint Standing Committee on Labor and enacted as Public Law 2005, chapter 603