

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
123<sup>RD</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills and adopted amendments and laws enacted or finally passed during the First Regular Session of the 123<sup>rd</sup> Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON INSURANCE AND  
FINANCIAL SERVICES**

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# STATE OF MAINE

123<sup>RD</sup> LEGISLATURE

FIRST REGULAR SESSION

## LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS



This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 123<sup>rd</sup> Maine Legislature, which was in session from December 6, 2006 to June 21, 2007.

The *Digest* is arranged alphabetically by committee, and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter 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 (or Accepted ONTP report).....           | 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 non-emergency legislation enacted in the First Regular Session is **September 20, 2007**. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

# Joint Standing Committee on Insurance and Financial Services

## LD 1253 An Act To Protect Consumers from Deceptive Insurance Solicitation

PUBLIC 118

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| SULLIVAN          | OTP-AM                  | S-57                      |

LD 1253 prohibits a person from using the name of a financial institution in insurance solicitations without the express written permission of that financial institution.

### Committee Amendment "A" (S-57)

This amendment replaces the bill. The amendment prohibits a person from using the name of a financial institution in insurance solicitations in a manner that is untrue, deceptive or misleading.

### Enacted Law Summary

Public Law 2007, chapter 118 prohibits a person from using the name of a financial institution in insurance solicitations in a manner that is untrue, deceptive or misleading.

## LD 1262 An Act Regarding Property and Casualty Insurance Actuarial Opinion of Reserves

PUBLIC 281

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| CROCKETT          | OTP-AM                  | H-353                     |

LD 1262 amends the Maine Insurance Code by replacing the current provisions regarding property and casualty actuarial opinions on insurer reserves with the model legislation adopted by the National Association of Insurance Commissioners. The bill requires the filing of the statement of actuarial opinion, the actuarial report supporting the opinion and the actuarial opinion summary by domestic insurers, excluding domestic mutual property insurers.

The bill also provides immunity to a qualified actuary for damages to persons other than the Superintendent of Insurance or a property and casualty insurance company for any act, error, omission, decision or conduct with respect to the actuary's opinion, except in cases of fraud or willful misconduct.

### Committee Amendment "A" (H-353)

This amendment clarifies that a qualified actuary is not immune from liability for damages to persons other than the Superintendent of Insurance or a property and casualty insurance company in cases of reckless disregard. The amendment also clarifies language relating to the public disclosure and confidentiality of certain documents.

LD 1262, as amended, was reviewed and evaluated by the Joint Standing Committee on Judiciary pursuant to Maine Revised Statutes, Title 1, section 434, which requires review and evaluation of new exceptions to laws governing public records.

### Enacted Law Summary

Public Law 2007, chapter 281 amends the Maine Insurance Code by replacing the current provisions regarding property and casualty actuarial opinions on insurer reserves with the model legislation adopted by the National Association of Insurance Commissioners. The law requires domestic insurers, excluding domestic mutual property insurers, to file the statement of actuarial opinion, the actuarial report supporting the opinion and the actuarial opinion summary with the Superintendent of Insurance. The law designates the statement of actuarial opinion as a public record, but otherwise designates the actuarial report, actuarial opinion summary and other documents