

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
124<sup>TH</sup> LEGISLATURE  
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the First Regular Session of the 124<sup>th</sup> Maine Legislature coming from the

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

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# STATE OF MAINE

124<sup>TH</sup> LEGISLATURE  
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## 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 124<sup>th</sup> Maine Legislature.

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:

CARRIED OVER.....	Carried over to a subsequent session of the Legislature
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; bill died
ONTP (or Accepted ONTP report).....	Ought Not To Pass report accepted; bill died
P&S XXX.....	Chapter # of enacted Private & Special Law
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

The effective date for non-emergency legislation enacted in the First Regular Session of the 124<sup>th</sup> Legislature is September 12, 2009. 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 511 An Act To Support Pretrial Diversion Programs for Issuers of Worthless Checks**

**PUBLIC 99**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
HASKELL	OTP-AM	H-105

This bill amends the definition of "debt" in the Maine Fair Debt Collection Practices Act to give district attorneys the option of using check diversion programs. Public Law 2007, chapter 214 added language that limited the check diversion options available to district attorneys. This bill strikes that language.

**Committee Amendment "A" (H-105)**

This amendment replaces the bill. The amendment excludes from the definition of "debt collector" those pretrial diversion programs for issuers of worthless checks operated under the supervision of state or district attorneys' offices, while applying conditions and protections found in the federal Fair Debt Collection Practices Act. It requires that a private entity operating a pretrial diversion program for issuers of worthless checks register with the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection. The amendment also requires the Superintendent of Consumer Credit Protection to review the contract between the private entity and the state or district attorney and the form communications used by private entities before granting a registration. It also adds an appropriations and allocations section.

**Enacted Law Summary**

Public Law 2009, chapter 99 excludes from the definition of "debt collector" those pretrial diversion programs for issuers of worthless checks operated under the supervision of state or district attorneys' offices, while applying conditions and protections found in the federal Fair Debt Collection Practices Act. The law requires that a private entity operating a pretrial diversion program for issuers of worthless checks register with the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection. The law also requires the Superintendent of Consumer Credit Protection to review the contract between the private entity and the state or district attorney and the form communications used by private entities before granting a registration.

**LD 606 An Act To Enable the Maine Employers' Mutual Insurance Company To Better Serve the Needs of All Employers**

**PUBLIC 32**

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

Current law permits the Maine Employers' Mutual Insurance Company to offer employment practices liability insurance to its policyholders that have an average of 100 or fewer employees. This bill removes that limitation and allows the company to offer that insurance to its policyholders regardless of the number of employees employed by the policyholder.

**Enacted Law Summary**

Current law permits the Maine Employers' Mutual Insurance Company to offer employment practices liability insurance to its policyholders that have an average of 100 or fewer employees. Public Law 2009, chapter 32 removes that limitation and allows the company to offer that insurance to its policyholders regardless of the number

# Joint Standing Committee on Insurance and Financial Services

of employees employed by the policyholder.

## LD 616 An Act To Strengthen the Board of the Maine Insurance Guaranty Association

PUBLIC 116

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCCORMICK	OTP-AM	S-59

This bill ensures that a majority of the Maine Insurance Guaranty Association board is made up of Maine-domiciled property and casualty companies.

### Committee Amendment "A" (S-59)

The amendment replaces the bill. The amendment provides that at least 3 of the 7 members of the Maine Insurance Guaranty Association board represent Maine-domiciled property and casualty companies, instead of at least 4 members as proposed in the bill. The amendment also requires a board member to resign if the member insurer ceases writing new business in the State.

### Enacted Law Summary

Public Law 2009, chapter 116 provides that at least 3 of the 7 members of the Maine Insurance Guaranty Association board represent Maine-domiciled property and casualty companies. The law also requires a board member to resign if the member insurer ceases writing new business in the State.

## LD 641 An Act To Notify Municipal Assessors of Foreclosure Actions

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BEAUDETTE HOBBINS	ONTP	

This bill requires notice to be sent to the municipal assessor of a foreclosure of a property in that municipality upon commencement of the foreclosure and 60 days prior to the completion of the foreclosure. The notice must contain the address and identifying information of the property, the name of the deed holder of the foreclosed property and the name and address of the new deed holder of the property once the foreclosure is completed.

While LD 641 was voted "Ought Not to Pass", a related substantive provision requiring a mortgagee to notify the municipal assessor within 3 days of filing a copy of a foreclosure complaint or a clerk's certificate of the filing of the foreclosure with the registry of deeds was incorporated into LD 1418, An Act to Preserve Home Ownership and Stabilize the Economy by Preventing Unnecessary Foreclosures. See LD 1418, which was enacted as Public Law 2009, chapter 402.