

MAINE STATE LEGISLATURE

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STATE OF MAINE
124TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature coming from the

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

April 2010

STAFF:

COLLEEN MCCARTHY REID
LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

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STATE OF MAINE

124TH LEGISLATURE
SECOND 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 Second Regular Session of the 124th 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 HOUSES..... 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 Second Regular Session of the 124th Legislature is Monday, July 12, 2010. 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

Part B requires all health insurers to submit a qualified actuarial opinion as part of their annual statement to the Department of Professional and Financial Regulation, Bureau of Insurance.

Part C establishes a separate licensing category for multiple peril crop insurance adjusters.

Part D corrects a cross-reference in the rulemaking provision of the continuity of coverage law.

Part E establishes a risk-based capital trend test to enhance the solvency regulation of health organizations and clarifies the application of certain provisions to health organizations.

LD 1523 An Act To Make Corrections to the Life Settlement Laws

PUBLIC 597

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| PRIEST | OTP MAJ ONTP MIN | S-462 CRAVEN |

LD 1523 clarifies the definition of "stranger-originated life insurance" in the laws governing life settlements by removing an extraneous reference to settlement transactions and adds standards clarifying which types of life insurance coverage are subject to the consumer notification requirement.

Senate Amendment "A" (S-462)

This amendment removes the provisions regarding which types of life insurance coverage are subject to the consumer notification requirement.

Enacted Law Summary

Public Law 2009, chapter 597 clarifies the definition of "stranger-originated life insurance" in the laws governing life settlements by removing an extraneous reference to settlement transactions.

LD 1618 An Act To Amend the Loan Originator Registration Laws

PUBLIC 497

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| LEGG BOWMAN | OTP | |

LD 1611 delays for five months the date of the transition for mortgage companies from the existing state registration system to a new national system to avoid overlapping and duplicative requirements.

Enacted Law Summary

Public Law 2009, chapter 497 delays the effective date for compliance with a new national system for registration of mortgage loan originators from July 31, 2010 to January 1, 2011. Under current State law, mortgage loan originators are required to register with the Bureau of Consumer Credit Protection. As of January 1, 2011, mortgage loan originators will be required to register under the national system.