

# MAINE STATE LEGISLATURE

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



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second 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 Second 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:

<i>CARRIED OVER</i> .....	<i>Carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i> .....	<i>Chapter # of Constitutional Resolution passed by both Houses</i>
<i>CONF CMTE UNABLE TO AGREE</i> .....	<i>Committee of Conference unable to agree; bill died</i>
<i>DIED BETWEEN HOUSES</i> .....	<i>House &amp; Senate disagree; bill died</i>
<i>DIED IN CONCURRENCE</i> .....	<i>One body accepts ONTP report; the other indefinitely postpones the bill</i>
<i>DIED ON ADJOURNMENT</i> .....	<i>Action incomplete when session ended; bill died</i>
<i>EMERGENCY</i> .....	<i>Enacted law takes effect sooner than 90 days</i>
<i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i> .....	<i>Emergency bill failed to get 2/3 vote</i>
<i>FAILED ENACTMENT/FINAL PASSAGE</i> .....	<i>Bill failed to get majority vote</i>
<i>FAILED MANDATE ENACTMENT</i> .....	<i>Bill imposing local mandate failed to get 2/3 vote</i>
<i>NOT PROPERLY BEFORE THE BODY</i> .....	<i>Ruled out of order by the presiding officers; bill died</i>
<i>INDEF PP</i> .....	<i>Bill Indefinitely Postponed; bill died</i>
<i>ONTP (or Accepted ONTP report)</i> .....	<i>Ought Not To Pass report accepted; bill died</i>
<i>P&amp;S XXX</i> .....	<i>Chapter # of enacted Private &amp; Special Law</i>
<i>PUBLIC XXX</i> .....	<i>Chapter # of enacted Public Law</i>
<i>RESOLVE XXX</i> .....	<i>Chapter # of finally passed Resolve</i>
<i>UNSIGNED</i> .....	<i>Bill held by Governor</i>
<i>VETO SUSTAINED</i> .....	<i>Legislature failed to override Governor's Veto</i>

The effective date for non-emergency legislation enacted in the Second Regular Session of the 124<sup>th</sup> 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*

health plans and requires a health plan issued after the effective date of the provision to include a disclosure of a permitted limit. The amendment applies the provisions to health plans issued or renewed on or after January 1, 2011.

### **Enacted Law Summary**

Public Law 2009, chapter 588 prohibits individual or group health plans covering Maine residents from including provisions that terminate payment of further claims after a defined maximum specified aggregate dollar amount of health care claims has been paid on an annual, lifetime or other basis on behalf of an individual, family or group. The law provides exceptions to the prohibition on limits for several specific types of health plans and requires a health plan issued after the effective date of the law that contains a permissible limit on aggregate benefits to specifically disclose that limit to policyholders. The law applies to health plans issued or renewed on or after January 1, 2011.

### **LD 1621     An Act To Increase Consumer Choice Regarding Service Contracts**

**LEAVE TO  
WITHDRAW**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU SHERMAN	LTW	

This bill regulates the sale of service contracts to consumers and establishes standards for service contract providers. The bill exempts service contracts regulated under the bill from all other provisions of the Maine Insurance Code. The bill also exempts warranties, maintenance agreements, service contracts sold to persons other than consumers and warranties, maintenance agreements and service contracts offered by public utilities from all provisions of the Maine Insurance Code, including those proposed in the bill.

### **LD 1649     Resolve, To Increase the Financial Stability of Low-income Families in Maine**

**RESOLVE 156**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SIMPSON	OTP-AM	S-365

This resolve directs the Commissioner of Professional and Financial Regulation to establish, within existing budgeted resources, the Bank on ME working group, composed of municipal officials and representatives of state and federal financial institutions, community organizations and state agencies to develop and implement collaborative voluntary initiatives that increase the financial stability of low-income families in the State by increasing awareness of and access to basic financial services. The commissioner is required to submit a report to the joint standing committee of the Legislature having jurisdiction over banking and financial matters by November 3, 2010 on the progress of the Bank on ME working group and on any changes to existing law that are necessary to implement the initiatives supported by the working group.

### **Committee Amendment "A" (S-365)**

This amendment directs the Superintendent of Financial Institutions within the Department of Professional and Financial Regulation rather than the Commissioner of Professional and Financial Regulation to establish the Bank of ME working group. The amendment also makes other clarifying changes to the resolve.

# *Joint Standing Committee on Insurance and Financial Services*

## Enacted Law Summary

Resolve 2009, chapter 156 directs the Superintendent of Financial Institutions to establish, within existing budgeted resources, the Bank on ME working group, composed of municipal officials and representatives of state and federal financial institutions, community organizations and state agencies to develop and implement collaborative voluntary initiatives that increase the financial stability of low-income families in the State by increasing awareness of and access to basic financial services. The superintendent is required to submit a report to the joint standing committee of the Legislature having jurisdiction over banking and financial matters by November 3, 2010 on the progress of the Bank on ME working group and on any changes to existing law that are necessary to implement the initiatives supported by the working group.

**LD 1653      An Act To Improve Health Insurance Security**

**LEAVE TO  
WITHDRAW**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SCHNEIDER	LTW	

LD 1653 allows a person who worked for the State for five years or more as of January 1, 2011 and who terminates state employment on or after that date to continue coverage under the group health plan for state employees. The bill requires the person to enroll in continued coverage under the group health plan within 30 days of the date the person leaves state employment and to pay the full premium cost for coverage.

**LD 1673      An Act To Allow a Maine-chartered Financial Institution To Conduct a Savings Promotion Raffle**

**PUBLIC 599**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SULLIVAN	OTP-AM   A B OTP-AM   C	S-418

This bill amends the laws governing raffles to allow any Maine-chartered financial institution, a bank or credit union, to conduct a savings promotion raffle. The sole consideration required for a chance of winning the designated prizes in the raffle is the deposit of at least a specified amount of money into a savings account or other savings program offered by the Maine-chartered financial institution.

**Committee Amendment "A" (S-417)**

This amendment is the majority report of the committee and replaces the bill. The amendment amends the definition of "game of chance" and "raffle" to exclude a savings promotion raffle conducted by a state-chartered financial institution or credit union. The amendment defines "savings promotion raffle" as a promotion in which the sole consideration for winning is the deposit of a certain amount of money in a savings account or other savings program. The amendment requires that the savings account or other savings program provide interest at comparable rates to the account holder and allow an account holder access to the savings. The amendment limits a financial institution or credit union to two savings promotion raffles per year and caps the total amount of designated prizes per promotion at \$1,000.

The amendment also requires the Department of Professional and Financial Regulation, Bureau of Financial Institutions to adopt rules to further define "savings promotion raffle" no later than February 1, 2011 and makes