# MAINE STATE LEGISLATURE

The following document is provided by the

**LAW AND LEGISLATIVE DIGITAL LIBRARY**

at the Maine State Law and Legislative Reference Library
http://legislature.maine.gov/lawlib

# STATE OF MAINE

125TH LEGISLATURE

FIRST REGULAR SESSION

Summaries of bills, adopted amendments and laws enacted or finally passed

# JOINT STANDING COMMITTEE ON INSURANCE AND FINANCIAL SERVICES

July 2011

**MEMBERS**:

SEN. RODNEY L. WHITTEMORE, CHAIR
SEN. LOIS A. SNOWE-MELLO
SEN. JOSEPH C. BRANNIGAN

REP. WESLEY E. RICHARDSON, CHAIR
REP. JONATHAN B. MCKANE
REP. JOYCE A. FITZPATRICK
REP. SUSAN E. MORISSETTE
REP. JOHN J. PICCHIOTTI
REP. SHARON ANGLIN TREAT
REP. ADAM GOODE
REP. HENRY E. M. BECK
REP. TERRY K. MORRISON
REP. PAULETTE G. BEAUDOIN

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

# STATE OF MAINE

125TH LEGISLATURE

FIRST REGULAR SESSION

# LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD 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 LD is noted to the right of the LD title. The following describes the various final actions.

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; legislation died*
DIED BETWEEN HOUSES ............................................... *House & Senate disagreed; legislation died*
DIED IN CONCURRENCE ................................ *defeated in each house, but on different motions; legislation died*
DIED ON ADJOURNMENT ............................................. *action incomplete when session ended; legislation died*
EMERGENCY ........................................... *enacted law takes effect sooner than 90 days after session adjournment*
FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE ............ *emergency failed to receive required 2/3 vote*
FAILED, ENACTMENT or FINAL PASSAGE ................................................. *failed to receive final majority vote*
FAILED, MANDATE ENACTMENT ........................... *legislation proposing local mandate failed required 2/3 vote*
HELD BY GOVERNOR ............. *Governor has not signed; final disposition to be determined at subsequent session*
LEAVE TO WITHDRAW ............................................................. *sponsor's request to withdraw legislation granted*
NOT PROPERLY BEFORE THE BODY ...................... *ruled out of order by the presiding officer; legislation died*
INDEF PP ...................................................................................... *indefinitely postponed; legislation died*
ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X .... *ought-not-to-pass report accepted; legislation died*
P&S XXX ............................................................................... *chapter # of enacted private & special law*
PUBLIC XXX ................................................................................ *chapter # of enacted public Law*
RESOLVE XXX ..................................................................... *chapter # of finally passed resolve*
VETO SUSTAINED .......................................................... *Legislature failed to override Governor's veto*

The effective date for non-emergency legislation enacted in the First Regular Session of the 125th Legislature is September 28, 2011. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

| LD 14 | **Resolve, Regarding Legislative Review of the Final Repeal of Chapter 270: Adjustment of Volume Fees, a Major Substantive Rule of the Department of Professional and Financial Regulation** | | **RESOLVE 5 EMERGENCY** |

| Sponsor(s) | Committee Report | Amendments Adopted |
|---|---|---|
| | OTP | |

This resolve provides for legislative review of the repeal of Chapter 270:  Adjustment of Volume Fees, a major substantive rule of the Department of Professional and Financial Regulation.

**Enacted Law Summary**

Resolve 2011, chapter 5 authorizes final repeal of Rule Chapter 270: Adjustment of Volume Fees, a major substantive rule of the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection.

Resolve 2011, chapter 5 was finally passed as an emergency measure effective March 24, 2011.

| LD 15 | **Resolve, Regarding Legislative Review of Chapter 285: Adjustment of Non-bank Mortgage Lending Fees, a Major Substantive Rule of the Department of Professional and Financial Regulation** | | **RESOLVE 4 EMERGENCY** |

| Sponsor(s) | Committee Report | Amendments Adopted |
|---|---|---|
| | OTP | |

This resolve provides for legislative review of Chapter 285:  Adjustment of Non-bank Mortgage Lending Fees, a major substantive rule of the Department of Professional and Financial Regulation.

**Enacted Law Summary**

Resolve 2011, chapter 4 authorizes final adoption of Rule Chapter 285: Adjustment of Non-bank Mortgage Lending Fees, a major substantive rule of the Department of Professional and Financial Regulation, Bureau of Consumer Credit Protection.

Resolve 2011, chapter 4 was finally passed as an emergency measure effective March 21, 2011.

| LD 53 | **An Act To Extend Fair Trade Practice to Automobile Rentals Provided When Insured Automobiles Are Damaged** | | **ONTP** |

| Sponsor(s) | Committee Report | Amendments Adopted |
|---|---|---|
| BEAULIEU THOMAS | ONTP | |

This bill establishes that insurers providing rental vehicle reimbursement coverage may not require an insured to use or not use a particular rental vehicle company or rental vehicle company location.  It also establishes

disclosure requirements when insurers process a claim or write motor vehicle insurance.

**LD 57**    **Resolve, To Update the Study Regarding the Feasibility of Establishing**    **MAJORITY**
**a Single-payor Health Care System**    **(ONTP) REPORT**

| Sponsor(s) | Committee Report | Amendments Adopted |
|---|---|---|
| BEAUDOIN | ONTP   MAJ | |
| SULLIVAN | OTP-AM   MIN | |

This resolve requires the Legislature to hire a consultant to update "Feasibility Study of a Single-payor Health Plan Model for the State of Maine," originally completed in 2002.

**Committee Amendment "A" (H-47)**

This amendment is the minority report of the committee and replaces the resolve.  The amendment requires the Legislature to hire a consultant to update the "Feasibility Study of a Single-payor Health Plan Model for the State of Maine," originally completed in 2002.  The amendment also requires that the updated study include an analysis of the impact of the federal Patient Protection and Affordable Care Act on state legislation to establish a single-payor health care system and of the costs and impact of using a single-payor health plan design similar to the design proposed for the State of Vermont.  The amendment also provides funding for the updated study through a federal grant awarded to the State rather than the General Fund.

Committee Amendment "A" was not adopted.

**LD 60**    **An Act To Extend Coverage under the State's Mini-COBRA Law**    **MAJORITY**
**(ONTP) REPORT**

| Sponsor(s) | Committee Report | Amendments Adopted |
|---|---|---|
| LOVEJOY | ONTP   MAJ | |
| BRANNIGAN | OTP-AM   MIN | |

Under existing federal and state law, employees who are laid off are eligible to continue health coverage under their employers' group health insurance plans at their own expense.  The federal Consolidated Omnibus Budget Reconciliation Act of 1985, known as COBRA, contains provisions that apply to employers with 20 or more employees and generally allows coverage to continue for up to 18 months. Current state law, which applies to employers with fewer than 20 employees, allows the employee to continue coverage for up to 12 months.  This bill extends the availability of coverage up to 36 months for those eligible under state law and, to the extent possible, for those eligible under federal law.  The bill also provides a special enrollment period for those employees who have exhausted coverage under existing law but who would otherwise be eligible to continue coverage for an additional period.

**Committee Amendment "A" (H-48)**

This amendment is the minority report of the committee and replaces the bill. Current state law, which applies to employers with fewer than 20 employees, allows the employee to continue coverage at their own expense for up to 12 months.  This amendment extends the availability of coverage from 12 months to 18 months for those employees eligible under state law.  The amendment also removes the requirement that those employees who are permanently