

MAINE STATE LEGISLATURE

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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

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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.

Joint Standing Committee on Insurance and Financial Services

This bill repeals the provision in the Maine Insurance Code requiring annual notice by an insurer to indemnitors of the existence of an indemnity agreement.

Enacted Law Summary

Public Law 2011, chapter 38 repeals the provision in the Maine Insurance Code requiring annual notice by an insurer to indemnitors of the existence of an indemnity agreement.

LD 290

An Act To Amend the Maine Secure and Fair Enforcement for Mortgage Licensing Act of 2009

PUBLIC 289

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MORISSETTE MASON	OTP-AM	H-427

This bill amends the Maine Secure and Fair Enforcement for Mortgage Licensing Act of 2009, to exempt individuals who do not offer or originate more than five loans in any one calendar year from having to be licensed. The bill makes the change retroactive to January 1, 2011.

Committee Amendment "A" (H-427)

This amendment strikes the provision in the bill that exempts individuals who do not offer or originate more than five loans in any one calendar year from having to be licensed under the Maine Secure and Fair Enforcement for Mortgage Licensing Act of 2009. The amendment amends the Maine Secure and Fair Enforcement for Mortgage Licensing Act of 2009 to add an exemption for a de minimis number of transactions per year not to exceed the limit set forth in regulations adopted by the United States Department of Housing and Urban Development. The amendment defines "credit sale" to clarify that credit extended by a property owner to the buyer when the property is sold is not subject to licensing. The amendment also clarifies that the enforceability of mortgage loans is not affected by a good faith failure to comply with the terms of the Act. The amendment retains the bill's retroactive date of January 1, 2011.

Enacted Law Summary

Public Law 2011, chapter 289 amends the Maine Secure and Fair Enforcement for Mortgage Licensing Act of 2009 to add an exemption from licensing for those individuals engaging in a de minimis number of residential mortgage loan transactions per year not to exceed the limit set forth in regulations adopted by the United States Department of Housing and Urban Development. The law defines "credit sale" to clarify that credit extended by a property owner to the buyer when the property is sold is not subject to licensing. The law also clarifies that the enforceability of mortgage loans is not affected by a good faith failure to comply with the terms of the Maine Secure and Fair Enforcement for Mortgage Licensing Act of 2009.

Public Law 2011, chapter 289 applies retroactively to January 1, 2011.