

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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STATE OF MAINE
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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.

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separate chapter that establishes the Insurance Fraud Division within the Department of Professional and Financial Regulation, Bureau of Insurance. The amendment requires insurers with knowledge or suspicion of fraudulent insurance acts to report those activities to the Insurance Fraud Division. The amendment provides for the confidentiality of records relating to insurance fraud investigations in a manner similar to the provision of confidentiality under current state law for investigative and intelligence information in the possession of other law enforcement entities. The amendment permits the Insurance Fraud Division to share investigatory information with certain state, municipal, national and international agencies. The amendment clarifies that the Insurance Fraud Division may be funded by an assessment on insurers. The amendment also adds an appropriations and allocations section to provide funds for the administration of the Insurance Fraud Division.

Committee Amendment "A" was not adopted.

LD 899 An Act To Disclose Insurance Policy Options to Senior Citizens ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VALENTINO PATRICK	ONTP	

This bill requires every insurer, insurance agent or insurance broker when selling, offering or renewing any insurance policy, plan, contract, certificate or benefit to a person 65 years of age or older to inform the person of any comparable government-offered or government-sponsored policy, plan, contract, certificate or benefit for which the person may qualify, such as Medicare.

LD 934 An Act To Reform the Dirigo Health Program ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MCKANE THOMAS	ONTP	

This bill is a concept draft pursuant to Joint Rule 208. The bill proposes to reform the Dirigo Health Program established under the Maine Revised Statutes, Title 24-A, chapter 87.

LD 950 An Act To Exempt Health Care Sharing Ministries from Insurance Requirements PUBLIC 192

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
THIBODEAU	OTP-AM MAJ ONTP MIN	S-77

This bill exempts a health care sharing ministry from the definition of "health insurance" under the Maine Insurance Code.

Committee Amendment "A" (S-77)

The bill defines "health care sharing ministry" and exempts these ministries from regulation as insurers under the

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Maine Insurance Code. This amendment adds two additional requirements to that definition, requiring the health care sharing ministry to have been in existence since December 31, 1999 and requiring the health care sharing ministry to be audited annually by an independent certified public accountant and to make that annual audit available to the public upon request.

Enacted Law Summary

Public Law 2011, chapter 192 defines "health care sharing ministry" and exempts these ministries from regulation as insurers under the Maine Insurance Code.

LD 960 An Act To Ensure Payment to Tow Truck Operators for Towing from ONTP **Accidents**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
O'BRIEN RECTOR	ONTP	

This bill requires a liability insurance policy under the motor vehicle financial responsibility laws to cover charges for towing a motor vehicle from the accident scene when towing is authorized or requested by a law enforcement officer or emergency medical services provider who is present at the accident scene.

LD 1010 An Act To Require an Insurance Company To Notify a Landlord When ONTP **a Tenant Changes or Cancels a Residential Property Insurance** **Contract**

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

This bill requires a landlord that is listed on a tenant's residential property insurance policy to be notified of any change to or the cancellation of that policy.

LD 1012 An Act To Require a Mortgagee To Provide the Original Release of PUBLIC 146 **Mortgage to the Mortgagor after the Release Is Recorded**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RICHARDSON W	OTP-AM	H-202

This bill requires that, within 30 days after recording a release of a mortgage, the mortgagee must send the release by certified mail, return receipt requested, to the mortgagor's address as listed in the mortgage or to an address specified by the mortgagor for this purpose. A mortgagee who fails to provide the release to the mortgagor in the manner specified is liable to an aggrieved party for damages equal to exemplary damages of \$500.

Committee Amendment "A" (H-202)

This amendment requires that the mortgagee must send the release of mortgage within 30 days after receipt of the