

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
125<sup>TH</sup> 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  
125<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 LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 125<sup>th</sup> 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 125<sup>th</sup> 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

financial contracts by insurers who have been placed in rehabilitation or liquidation. This bill also adds two related definitions from the model act to that chapter.

### House Amendment "A" (H-128)

This amendment corrects one cross-reference and adds another.

### Enacted Law Summary

Public Law 2011, chapter 107 conforms the chapter in the Maine Insurance Code regarding delinquent insurers to Section 711 of the National Association of Insurance Commissioners Insurer Receivership Model Act regarding netting of qualified financial contracts by insurers who have been placed in rehabilitation or liquidation.

**LD 1301**

### An Act To Amend the Laws Governing Security Deposits of Workers' Compensation Self-insurers

**PUBLIC 180**

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

This bill specifies that an employer that is a self-insurer of workers' compensation benefits may deposit cash, satisfying securities, irrevocable standby letters of credit issued by qualified financial institutions or a surety bond with the Superintendent of Insurance, rather than the Workers' Compensation Board as in current law, in partial fulfillment of the requirements for self-insurers. It also allows the Superintendent of Insurance to maintain possession of irrevocable standby letters of credit issued by qualified financial institutions and surety bonds.

### Enacted Law Summary

Public Law 2011, chapter 180 specifies that an employer that is a self-insurer of workers' compensation benefits may deposit cash, satisfying securities, irrevocable standby letters of credit issued by qualified financial institutions or a surety bond with the Superintendent of Insurance, rather than the Workers' Compensation Board as in current law, in partial fulfillment of the requirements for self-insurers. The law also allows the Superintendent of Insurance to maintain possession of irrevocable standby letters of credit issued by qualified financial institutions and surety bonds.

**LD 1326**

### An Act To Allow School Administrative Units To Seek Less Expensive Health Insurance Alternatives

**PUBLIC 395**

| <u>Sponsor(s)</u>   | <u>Committee Report</u>  | <u>Amendments Adopted</u> |
|---------------------|--------------------------|---------------------------|
| SARTY<br>WHITTEMORE | OTP-AM MAJ<br>OTP-AM MIN | H-429                     |

This bill allows school administrative units to offer group self-insurance health and dental programs and to enter into cooperative agreements with other school administrative units or municipalities to provide such programs.

The bill provides that school administrative units may arrange for and offer a choice of optional health or dental insurance plans to employees and their families that may vary in benefits provided and costs.

The bill also requires insurers, health maintenance organizations and nonprofit hospital or medical service organizations to provide information concerning a school administrative unit's own experience and claims history as