

MAINE STATE LEGISLATURE

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STATE OF MAINE
126TH LEGISLATURE
FIRST REGULAR SESSION



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

**JOINT STANDING COMMITTEE ON INSURANCE AND
FINANCIAL SERVICES**

July 2013

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LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126th 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 126th Legislature is October 9, 2013. 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

**LD 158 An Act To Amend the Notice of Risk to Personal Data Act To Further
Protect Consumers**

**DIED BETWEEN
HOUSES**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| TREAT PATRICK | ONTP OTP-AM | |

This bill requires that notice of a security breach pursuant to the Notice of Risk to Personal Data Act must be made no later than 30 days after discovery of the breach to residents affected by the breach and must be made immediately to state regulators. The bill also doubles the financial penalties for a civil violation.

Committee Amendment "A" (H-151)

This amendment is the minority report of the committee and replaces the bill. The amendment does the following with respect to the Notice of Risk to Personal Data Act.

1. It clarifies the definition of "breach of the security of the system" to include lost, misplaced or unaccounted for computerized data that includes personal information and requires notice to be provided to residents affected by a breach within 60 days unless the computerized data becomes accounted for prior to the 60-day deadline.
2. It requires that notice of a breach must be provided to state regulators no later than 10 days after discovery of the breach.
3. It clarifies that a notice to residents affected by a breach may be delayed only pursuant to a written request from a law enforcement agency.
4. It does not include the provision in the bill increasing the penalties for violations.

Committee Amendment "A" was adopted in the House, but was not adopted in the Senate.

**LD 161 An Act To Restrict a Health Insurance Carrier to Rating on the Basis of
One Geographic Area**

**VETO
SUSTAINED**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| LUCHINI | OTP-AM ONTP | H-288 |

This bill eliminates the ability of health insurers to establish a separate premium rate variation on the basis of geographic area, which was enacted as part of Public Law 2011, chapter 90. The bill merges the rating bands for age and geographic area so that the combined rate differential due to age and geographic area may not exceed a ratio of 3 to 1 beginning January 1, 2014 for all individual and small group health insurance policies.

Committee Amendment "A" (H-288)

This amendment is the majority report of the committee and replaces the bill. The amendment requires health insurance carriers to use only one rating area based on geography within the State when establishing rates for individual and small group health plans issued or renewed on or after January 1, 2015.