

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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STAFF:

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

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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

on Insurance and Financial Services, which is authorized to introduce a bill related to the report.

LD 1049 An Act To Establish an Insurance Exchange

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CAMPBELL J CRAVEN	ONTP	

This bill establishes the Maine Health Benefit Marketplace as the State's health benefit exchange as authorized by the federal Patient Protection and Affordable Care Act, Public Law 111-148 as amended by the federal Health Care and Education Reconciliation Act of 2010, Public Law 111-152 to facilitate the purchase of health care coverage by individuals and small businesses. The Maine Health Benefit Marketplace is established as an independent executive agency governed by the Board of Directors of the Maine Health Benefit Marketplace, which has 9 voting members appointed by the President of the Senate, the Speaker of the House and the Governor subject to confirmation by the Senate and 4 ex officio, nonvoting members representing the Department of Professional and Financial Regulation, the Department of Health and Human Services, the Department of Administrative and Financial Services and the Treasurer of State.

The bill requires coverage to be available through the state-based marketplace no later than January 1, 2015 and requires the Board of Directors of the Maine Health Benefit Marketplace to submit a declaration of intent to establish a state-based exchange under federal law to the federal Department of Health and Human Services no later than November 18, 2013. The bill also requires the board of directors to submit applications for any available federal grant funding to support planning and implementation of the state-based exchange as soon as practicable after Senate confirmation of the board members.

LD 1067 An Act To Allow Certain Small Retail Businesses To Pass Credit and Debit Card Transaction Fees on to Consumers

ONTP

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

This bill, which is a concept draft pursuant to Joint Rule 208, proposes to amend the Maine Consumer Credit Code - Truth in Lending laws to allow a small retail business to impose a surcharge on a purchase of a customer who elects to use a credit card or debit card that increases the regular price and that is not imposed on a purchase of a customer who pays by cash, check or similar means.

LD 1078 Resolve, To Establish the Task Force on the Creation of a State of Maine Partnership Bank

ONTP

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
JOHNSON C BEAVERS	ONTP	

This resolve establishes the Task Force on the Creation of a State of Maine Partnership Bank to develop a proposal to establish the State of Maine Partnership Bank, which must be specifically designed to partner with financial institutions that are headquartered in Maine or are Maine-owned, or both, in order to provide access to capital for local small businesses and family farmers, to enable state public funds to be retained within the State and to facilitate the investment of increased state resources in high-quality, in-state investments, such as

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loans to local businesses, family farmers and homeowners. The task force is directed to submit a report that includes its findings and recommendations with any necessary implementing legislation to the Joint Standing Committee on Labor, Commerce, Research and Economic Development and to the Joint Standing Committee on Insurance and Financial Institutions.

In place of the resolve, a minority of the committee introduced H.P. 1130, Joint Order Establishing the Task Force to Study the Creation of a State of Maine Partnership Bank or Other Maine Financial Structures. H.P. 1130 was passed in the House, but was indefinitely postponed in the Senate.

LD 1092 An Act To Increase the Use of Long-term Care Insurance

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
CRAVEN GRAHAM		

This bill establishes an alternative long-term care benefit program for those persons that qualify for long-term benefits under the MaineCare program. The bill allows persons otherwise eligible for long-term care benefits under MaineCare that own life insurance policies with face amounts exceeding \$10,000 to enter into life settlement contracts in exchange for direct payments to a health care provider for long-term care benefits. The bill prohibits the Department of Health and Human Services from considering the value of the life settlement contract as an asset or resource in determining eligibility for MaineCare. The bill also establishes the conditions under which a life settlement contract may be used, requires certain disclosures to be made to MaineCare applicants and authorizes the Department of Health and Human Services to adopt rules after consultation with the Department of Professional and Financial Regulation, Bureau of Insurance.

This bill was carried over to any special or regular session of the 126th Legislature by joint order, H.P. 1145, as amended by H-B (H-580) and H-C (H-582).

**LD 1094 An Act To Clarify Certification of Navigators and the Availability of
Regional Health Plans**

PUBLIC 388

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
WOODBURY	OTP-AM	S-185 S-314 WHITTEMORE

Part A of the bill establishes the Maine Health Exchange Advisory Board to advise the Federal Government, Governor and Legislature on the implementation and operation of a health exchange in this State pursuant to the federal Patient Protection and Affordable Care Act. The advisory board is composed of 17 members, including 5 members who are Legislators.

Part B of the bill suspends the authority of the Maine Guaranteed Access Reinsurance Association from January 1, 2014 until December 31, 2016 or until such time as the transitional reinsurance program administered by the federal Department of Health and Human Services pursuant to the federal Patient Protection and Affordable Care Act is no longer operational. This Part also directs the Board of Directors of the Maine Guaranteed Access Reinsurance Association to amend the association's plan of operation and submit an amendment to the plan of operation on or before October 1, 2013 to the Superintendent of Insurance for approval. The amended plan of operation must include, but is not limited to, an explanation of how operations will be suspended, the actions necessary to pay reinsurance on qualified claims attributable to the time period prior to January 1, 2014 and the actions necessary to suspend assessments.