

# MAINE STATE LEGISLATURE

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**STATE OF MAINE**  
126<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 2013

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# STATE OF MAINE

126<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* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 126<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 126<sup>th</sup> 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*

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 1410 An Act To Update the Fair Credit Reporting Act Consistent with Federal Law**

**PUBLIC 228**

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

This bill incorporates federal fair credit reporting laws into state law while preserving enhanced protections found in current state law.

**Enacted Law Summary**

Public Law 2013, chapter 228 incorporates federal fair credit reporting laws into state law while preserving enhanced protections found in current state law.

**LD 1413 An Act To Clarify Limitations on Homeowner's Insurance Policies Regarding Claims on Vacant Properties**

**ONTP**

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

This bill requires an insurer, upon receiving information that a property used as a residence and insured by the insurer is vacant, to send a statement to the insured explaining the policy regarding vacant property and defining "vacant." The bill allows an insurer to deny coverage for a claim on a vacant property used as a residence only for a claim that occurs more than 60 days after the insurer's sending the statement to the insured.

**LD 1444 An Act Relating to Title Insurers Issuing Closing or Settlement Protection**

**PUBLIC 233**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BECK LACHOWICZ	OTP-AM	H-283

This bill allows title insurers to provide protection against theft or misappropriation of settlement funds and failure to comply with written closing instructions in connection with real estate closings. The bill also provides that title insurers are allowed to charge a fee for this protection.

**Committee Amendment "A" (H-283)**

This amendment removes the provision in the bill establishing a minimum fee for closing or settlement protection letters issued by a title insurer.

**Enacted Law Summary**

Public Law 2013, chapter 233 allows title insurers to provide protection against theft or misappropriation of settlement funds and failure to comply with written closing instructions in connection with real estate closings. The law also provides that title insurers are allowed to charge a fee for this protection subject to approval of the Superintendent of Insurance in the same manner as other insurance rates.