

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

The law specifies that the requirements do not apply to dental or vision plans or to a carrier offering a health plan with respect to preferred provider arrangement contracts with a hospital or pharmacy.

LD 1485 An Act Relating to Insurance Company Formation and Dissolution

PUBLIC 299

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FITZPATRICK	OTP-AM	H-282

The purpose of this bill is to address a number of matters relating to insurance company formations and dissolutions that have arisen in practice. The bill updates references to Maine domestic insurance company "certificates of organization" in the Maine Insurance Code to "articles of incorporation" for consistency with the Maine Business Corporation Act and current corporate parlance, leaving those references to certificates of organization where necessary for clarity with respect to existing insurers. The bill simplifies and reduces the number of filings that must be made by those either forming or dissolving Maine insurers. The bill clarifies the procedure for the Secretary of State, the Superintendent of Insurance and insurers to follow with respect to certificates of dissolution. The bill clarifies 2 statutes whose joint reading currently creates an ambiguity as to the minimum number of directors a newly formed Maine insurer must have.

Committee Amendment "A" (H-282)

This amendment clarifies that Maine insurance corporations are subject to the requirements of the Maine Revised Statutes, Title 13-C, the Maine Business Corporation Act.

Enacted Law Summary

Public Law 2013, chapter 299 makes changes to the laws relating to insurance company formations and dissolutions.

1. The law updates references to Maine domestic insurance company "certificates of organization" in the Maine Insurance Code to "articles of incorporation" for consistency with the Maine Business Corporation Act and current corporate parlance, leaving those references to certificates of organization where necessary for clarity with respect to existing insurers.
2. The law simplifies and reduces the number of filings that must be made by those either forming or dissolving Maine insurers.
3. The law clarifies the procedure for the Secretary of State, the Superintendent of Insurance and insurers to follow with respect to certificates of dissolution.
4. The law clarifies 2 statutes whose joint reading currently creates an ambiguity as to the minimum number of directors a newly formed Maine insurer must have.
5. The law clarifies that Maine insurance corporations are subject to the requirements of the Maine Revised Statutes, Title 13-C, The Maine Business Corporation Act.