

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH LEGISLATURE
FIRST REGULAR SESSION



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

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

August 2015

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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 127th 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. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

<i>CARRIED OVER</i>	<i>carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>chapter # of constitutional resolution passed by both houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; legislation died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagreed; legislation died</i>
<i>DIED IN CONCURRENCE</i>	<i>defeated in each house, but on different motions; legislation died</i>
<i>DIED ON ADJOURNMENT</i>	<i>action incomplete when session ended; legislation died</i>
<i>EMERGENCY</i>	<i>enacted law takes effect sooner than 90 days after session adjournment</i>
<i>FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE</i>	<i>emergency failed to receive required 2/3 vote</i>
<i>FAILED, ENACTMENT or FINAL PASSAGE</i>	<i>failed to receive final majority vote</i>
<i>FAILED, MANDATE ENACTMENT</i>	<i>legislation proposing local mandate failed required 2/3 vote</i>
<i>HELD BY GOVERNOR</i>	<i>Governor has not signed; final disposition to be determined at subsequent session</i>
<i>LEAVE TO WITHDRAW</i>	<i>sponsor's request to withdraw legislation granted</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>ruled out of order by the presiding officer; legislation died</i>
<i>INDEF PP</i>	<i>indefinitely postponed; legislation died</i>
<i>ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X</i>	<i>ought-not-to-pass report accepted; legislation died</i>
<i>P&S XXX</i>	<i>chapter # of enacted private & special law</i>
<i>PUBLIC XXX</i>	<i>chapter # of enacted public law</i>
<i>RESOLVE XXX</i>	<i>chapter # of finally passed resolve</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's veto</i>

The effective date for non-emergency legislation enacted in the First Regular Session of the 127th Legislature is October 15, 2015. 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 24 An Act To Create a Public State Bank

**Accepted Majority
(ONTP) Report**

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

This bill establishes the Maine Street Bank effective July 1, 2017 except that the bank may not make, purchase, guarantee, modify or hold loans until the bank has capital of at least \$20,000,000. It specifies the purposes of the bank, establishes a board of directors and creates an advisory committee. It allows the bank to accept deposits of public funds, to make, purchase, guarantee, modify or hold certain loans and to serve as a custodian bank. It directs the Treasurer of State to deposit money into the bank. Excess income of the bank is deposited in the Maine Budget Stabilization Fund.

The bill provides for a quarterly examination of the bank by the Department of Professional and Financial Regulation, Bureau of Financial Institutions and an audit by the State Auditor every two years.

The bill allows counties and municipalities to establish public banks.

The bill directs the Treasurer of State, the Commissioner of Administrative and Financial Services and the Chief Executive Officer of the Finance Authority of Maine to consult with the Attorney General and report to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs by January 15, 2016 with recommendations to fully implement the bank, including recommendations regarding the merger of the Finance Authority of Maine into the bank. It authorizes the joint standing committee to report out a bill to the Second Regular Session of the 127th Legislature.

Committee Amendment "A" (H-35)

This amendment is the minority report of the committee. The amendment appropriates one-time funds to the Finance Authority of Maine to research and prepare the report related to the merger of the Finance Authority of Maine with the Maine Street Bank established in the bill.

LD 124 An Act To Require Payment by a Carrier for Health Care Services Provided to Enrollees of the Carrier

PUBLIC 84

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
GRATWICK SANBORN	OTP-AM	S-47

Providers who treat enrollees of a carrier are not compensated for care provided during the pendency of credentialing. This bill requires retroactive payment to a provider for services rendered from the date a credentialing application is submitted for up to 60 days prior to credentials being granted.

Committee Amendment "A" (S-47)

This amendment replaces the bill. The amendment requires carriers to pay providers for services rendered prior to credentials being granted, retroactive to when a complete application for credentialing is submitted, as long as credentials are granted to that provider by the carrier. The bill required retroactive payment to a provider for services rendered up to 60 days prior to credentials being granted. The amendment clarifies that a claim may not be submitted until the provider has been notified of the credentialing decision and the effective date of any credentials.

Joint Standing Committee on Insurance and Financial Services

The amendment also makes a spelling change to match the preferred spelling of the relevant national accrediting organization.

Enacted Law Summary

Public Law 2015, chapter 84 requires carriers to pay providers for services rendered prior to credentials being granted, retroactive to when a complete application for credentialing is submitted, as long as credentials are granted to that provider by the carrier.

LD 135 An Act To Reduce Tobacco Use Surcharges in Small Group and Individual Health Insurance Products Veto Sustained

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SANBORN GRATWICK	OTP-AM	H-26

This bill prohibits carriers providing individual health plans or small group health plans from adding a surcharge for tobacco use.

Committee Amendment "A" (H-26)

The amendment replaces the bill, which proposed to prohibit carriers providing individual health plans or small group health plans from adding a surcharge for tobacco use. The amendment reduces the maximum rate differential that may be applied by a carrier for tobacco use in individual and small group health insurance policies from 1.5 to 1.2 to 1 and makes the changed rate differential apply to all policies, contracts and certificates issued or renewed on or after January 1, 2017.

LD 144 Resolve, To Study State and Federal Laws Regarding Online Privacy and Data Security To Develop Ways To Further Protect Consumers from Identity Theft and Fraud Died On Adjournment

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
RUSSELL	OTP-AM ONTP	H-101

This bill authorizes a person, firm, partnership, association or corporation that offers for purchase an electronic downloadable product to require, as a condition of accepting a credit card for payment, that a consumer provide personal identification information only if that person, firm, partnership, association or corporation requires that information solely for the detection, investigation or prevention of fraud, theft, identity theft or criminal activity or for enforcement of the terms of sale. The bill requires any personal identification information collected for these purposes to be destroyed after it is no longer needed and also prohibits the further sharing of that information.

The bill authorizes a person, firm, partnership, association or corporation that offers for purchase an electronic downloadable product to require that a consumer establish an account as a condition for the purchase of a downloadable product and to require that a consumer provide personal identification information, as long as the consumer is provided an opportunity to opt out of the collection of personal identification information before completing the online transaction.

Committee Amendment "A" (H-101)

This amendment is the majority report of the committee. This amendment replaces the bill and changes it into a resolve. The amendment establishes a task force to study state and federal laws regarding online privacy and data