

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

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

MEMBERS:

SEN. RODNEY L. WHITTEMORE, CHAIR
SEN. LINDA L. BAKER
SEN. GEOFFREY M. GRATWICK

REP. HENRY E. M. BECK, CHAIR
REP. TERRY K. MORRISON
REP. JANICE E. COOPER
REP. HEIDI E. BROOKS
REP. GINA M. MELARAGNO
REP. RALPH L. TUCKER
REP. RAYMOND A. WALLACE
REP. JOHN JOSEPH PICCHIOTTI
REP. ROBERT A. FOLEY
REP. DWAYNE W. PRESCOTT

STAFF:

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

STATE OF MAINE

127TH LEGISLATURE
FIRST REGULAR SESSION



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.

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 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

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

Joint Standing Committee on Insurance and Financial Services

security. The task force is composed of 13 members, including seven Legislators and six representatives of privacy and data security associations, consumer protection advocates, financial institutions, online retailers, technology companies and an organization whose mission is to protect the United States Constitution and the privacy of citizens. The amendment requires the task force to identify policy options for the State to consider to protect consumers from identity theft and fraud when making purchases online. The amendment requires the task force to report back to the Legislature before the Second Regular Session of the 127th Legislature.

LD 220 An Act To Require Proper Notification of Life Insurance Cancellation

**PUBLIC 61
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DOORE KATZ	OTP-AM OTP-AM	H-39

This bill requires insurers to provide notice of the lapse or termination of a life insurance policy by registered mail.

Committee Amendment "A" (H-39)

This amendment is the majority report of the committee. The amendment replaces the bill, which proposes to require individual life insurers to provide notice of termination of a life insurance policy by registered mail. The amendment requires the Maine Public Employees Retirement System to provide notice of cancellation of life insurance coverage administered by the Maine Public Employees Retirement System to an employee and any designated third party. The notice must be by mail. The amendment also allows an employee covered by the Maine Public Employees Retirement System to designate a third party to receive the cancellation notice. The amendment also adds an emergency preamble and clause.

Committee Amendment "B" (H-40)

This amendment is the minority report of the committee. The amendment replaces the bill, which proposes to require individual life insurers to provide notice of termination of a life insurance policy by registered mail. The amendment requires the Maine Public Employees Retirement System to provide notice of cancellation of life insurance coverage administered by the Maine Public Employees Retirement System to an employee and any designated third party. The notice must be by certified mail. The amendment also allows an employee covered by the Maine Public Employees Retirement System to designate a third party to receive the cancellation notice. The amendment also adds an emergency preamble and clause.

Enacted Law Summary

Public Law 2015, chapter 61 requires the Maine Public Employees Retirement System to provide notice of cancellation of life insurance coverage administered by the Maine Public Employees Retirement System to an employee and any designated third party by mail.

Public Law 2015, chapter 61 was enacted as an emergency measure effective May 10, 2015.

LD 243 An Act To Restore Consumer Rate Review for Health Insurance Plans in the Individual Market

**Died Between
Houses**

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

This bill amends the rate review process for individual health insurance. It requires advance review and prior