

MAINE STATE LEGISLATURE

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STATE OF MAINE
128TH LEGISLATURE
FIRST REGULAR SESSION



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

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

August 2017

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STATE OF MAINE

128TH 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 128th 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 128th Legislature is Wednesday, November 1, 2017. 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 amendment replaces the bill. Like the bill, the amendment removes the exemption provided to national banks from the law requiring financial institutions to provide account balance information to the State or to a municipality for persons who have applied for or are receiving financial assistance from the State or the municipality. The amendment also requires that a signed release form from a depositor be obtained before deposit or balance information can be released by the financial institution and, if the depositor is deceased, a written request from the municipality and a notarized affidavit of death must be provided. The amendment does not grant any authority for the release of any funds by a financial institution.

Enacted Law Summary

Public Law 2017, chapter 28 removes the exemption provided to national banks from the law requiring financial institutions to provide account balance information to the State or to a municipality for persons who have applied for or are receiving financial assistance from the State or the municipality. The law also requires that a signed release form from a depositor be obtained before deposit or balance information can be released by the financial institution and, if the depositor is deceased, a written request from the municipality and a notarized affidavit of death must be provided. The law does not grant any authority for the release of any funds by a financial institution.

LD 284 An Act Concerning Notification after a Security Breach

**Accepted Majority
(ONTP) Report**

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

This bill shortens the time allowed for a delay in notification to residents of the State of a breach of the security of a system that contains computerized personal information from seven business days to three business days.

Committee Amendment "A" (H-7)

This amendment shortens the time allowed for a delay in notification to residents of the State of a breach of the security of a system that contains computerized personal information from seven business days to seven days.

This amendment was not adopted.

LD 308 An Act To Prohibit Charging Maine Seniors Higher Automobile Insurance Premiums Based Solely on Their Age

PUBLIC 11

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DIAMOND B PARRY W	OTP-AM	S-6

This bill repeals two provisions in current law related to the issuance of motor vehicle insurance and consideration of an insured's age by the insurer and incorporates them into one provision. The bill prohibits an insurer from taking certain actions against an applicant or insured under a motor vehicle insurance policy based solely upon the age of the applicant or insured.

Committee Amendment "A" (S-6)

This amendment replaces the bill. The amendment clarifies that an insurer may not refuse to issue personal automobile insurance for the sole reason that a person has reached a certain age and clarifies that the prohibitions of certain actions based solely upon age apply to an applicant for coverage as well as to existing insureds.

Joint Standing Committee on Insurance and Financial Services

Enacted Law Summary

Public Law 2017, chapter 11 clarifies that an insurer may not refuse to issue personal automobile insurance for the sole reason that a person has reached a certain age and that the prohibitions of certain actions based solely upon age apply to an applicant for coverage as well as to existing insureds.

LD 360 An Act To Allow Consumers To Shop for Credit without Damaging ONTP
Their Credit Scores

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

This bill prohibits a consumer reporting agency from considering the number of credit inquiries made by a consumer or on behalf of a consumer as a factor in the calculation of a consumer's credit score.

LD 361 An Act To Ensure Fair Compensation for Licensed Insurance Agents PUBLIC 60

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
FOLEY R CHENETTE J	OTP-AM	H-69

This bill requires insurers that offer qualified health plans in this State to ensure that only licensed insurance producers and consultants enroll individuals and employees during special enrollment periods and to meet certain compensation requirements for enrollment during annual and special enrollment periods. The bill also requires that these insurance producers and consultants receive training to recognize potential cases of fraud, waste and abuse related to special enrollment periods.

Committee Amendment "A" (H-69)

This amendment replaces the bill. Like the bill, the amendment requires insurers that offer health plans in this State to pay commissions to licensed insurance producers for enrollments made during annual and special enrollment periods and to pay an equal commission for enrollments made during a special enrollment period. The amendment also prohibits an insurer from eliminating, restricting or limiting the payment of a commission to a producer for enrollment of an individual in a health plan during any annual enrollment period on the basis that the producer was not paid a commission for the enrollment of the same individual by the producer in a prior plan year during a special enrollment period.

The amendment removes the provisions in the bill that require insurers to ensure that only licensed insurance producers and consultants enroll individuals and employees during special enrollment periods and that require that these insurance producers and consultants receive training to recognize potential cases of fraud, waste and abuse related to special enrollment periods. The amendment also removes references to licensed insurance consultants and clarifies that the requirements related to the payment of commissions apply when an insurance producer holds an appointment from or is contracted with the insurer.

The amendment clarifies that the provisions apply to health plans issued or renewed on or after January 1, 2018.

Enacted Law Summary

Public Law 2017, chapter 60 requires insurers that offer health plans in this State to pay commissions to licensed insurance producers for enrollments made during annual and special enrollment periods and to pay an equal commission for enrollments made during a special enrollment period. The law also prohibits an insurer from