

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 1829

S.P. 619

In Senate, June 3, 2019

An Act Regarding Insurance Licensees

Reference to the Committee on Health Coverage, Insurance and Financial Services suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator FOLEY of York. (GOVERNOR'S BILL)

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 24-A MRSA §601, sub-§32** is enacted to read:

3 **32. Surplus lines.** Surplus lines authority fees may not exceed:

4 A. Issuance fee for surplus lines authority, \$150.

5 **Sec. 2. 24-A MRSA §1417**, as amended by PL 2001, c. 259, §§19 to 21, is further
6 amended to read:

7 **§1417. Suspension; revocation; cancellation; refusal of license**

8 **1. Suspension, revocation, probation, denial.** Notwithstanding Title 5, chapter
9 375, subchapter VI, the superintendent may, after notice and opportunity for hearing,
10 deny, revoke, suspend, place on probation or limit the permissible activities under any
11 license issued under this chapter, including business entity licenses, or any surplus lines
12 broker license if the superintendent finds that, as to the applicant or licensee, any of the
13 causes exist that are listed in section 1420-K, and that for purposes of this section apply
14 to adjusters and consultants as well as producers.

15 **1-A. Nonresident licensing, loss of home state authority.** The superintendent may
16 verify the home state license status of any nonresident licensee through the producer
17 database maintained by the National Association of Insurance Commissioners, its
18 affiliates or subsidiaries or any successor, or by contacting the licensee's home state
19 regulator. If a nonresident licensee's license or authority in the licensee's home state is no
20 longer active, whether as a result of suspension, revocation, termination, lapse, voluntary
21 surrender or other action by the home state regulator, the superintendent may cancel the
22 nonresident licensee's license or authority granted pursuant to section 1420-G, section
23 1427-A, subsection 1 or section 1477 30 days after the final action taken with respect to
24 the home state license.

25 **3. Voluntary surrender.** The superintendent may, after notice and opportunity for a
26 hearing under this section, deem the license suspended or revoked of a previously
27 licensed person who voluntarily surrendered an insurance license.

28 **Sec. 3. 24-A MRSA §1476, sub-§1**, as enacted by PL 1997, c. 592, §43, is
29 amended to read:

30 **1. Solicitation.** An adjuster seeking to provide adjusting services to an insured for a
31 fee to be paid by the insured may not ~~solicit~~ or offer an adjustment services contract to
32 any person for at least 36 hours after an accident or occurrence as a result of which the
33 person might have a potential claim.

34 **SUMMARY**

35 This bill provides a fee of \$150 for surplus lines authority. It authorizes the
36 Superintendent of Insurance to cancel the Maine license or authority of a nonresident
37 insurance licensee subject to the Maine Revised Statutes, Title 24-A, chapter 16. Such a

1 cancellation applies to a nonresident licensee only in the event that the licensee's license
2 authority in the licensee's home state is no longer active and the Maine license has been
3 granted on a reciprocal basis. It removes language that prohibits an adjuster seeking to
4 provide adjusting services to an insured for a fee to be paid by the insured from soliciting
5 an adjustment services contract to any person for at least 36 hours after an accident or
6 occurrence as a result of which the person might have a potential claim.