

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND TWENTIETH LEGISLATURE

SECOND REGULAR SESSION
January 2, 2002 to April 25, 2002

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JULY 25, 2002

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
2002

Sec. 2. Retroactivity. This Act applies retroactively to September 21, 2001.

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective March 12, 2002.

CHAPTER 524

H.P. 1475 - L.D. 1976

An Act to Modify Investment-related Insurance Company Provisions of the Maine Insurance Code

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

Sec. 1. 24-A MRSA §901-A, sub-§1, as enacted by PL 2001, c. 72, §7, is repealed and the following enacted in its place:

1. Principles; admitted assets. In evaluating the financial condition of an insurer, the superintendent shall determine which assets may be recognized as admitted assets and shall value the insurer's admitted assets and the insurer's liabilities:

A. In accordance with recognized statutory accounting principles as codified by the National Association of Insurance Commissioners or its successor organization and reflected in the association's accounting practices and procedures manual and valuation of securities manual and their successor publications; and

B. In accordance with any additional accounting practices permitted by the superintendent upon the request of the insurer.

Sec. 2. 24-A MRSA §1106, sub-§4, as amended by PL 1993, c. 313, §21, is further amended to read:

4. Except as otherwise expressly provided, an insurer may not invest more than 10% of its assets in the securities of any one person, other than investments eligible under the following sections:

A. 1107 (public obligations); ~~and~~

B. 1108 (obligations, stock of certain federal and international agencies); ~~and~~

C. 1120 (common trust funds, mutual funds), but as to this exception, only with the prior approval of the superintendent and only in index mutual funds in an amount up to 20% of the insurer's assets.

Sec. 3. 24-A MRSA §1155, sub-§2, as amended by PL 1999, c. 715, §11, is further amended to read:

2. Government obligations; policy loans; other limitations. Except as otherwise expressly provided, an insurer may not invest in or may not incur counter-party exposure to any one person if, after giving effect to those investments and that counter-party exposure, the aggregate of those investments in and that counter-party exposure to that person would exceed 10% of the insurer's admitted assets, ~~other than investments eligible under~~ with the following sections exceptions:

A. Government obligations; pursuant to section 1156, subsection 2, paragraph A; ~~and~~

B. Policy loans; pursuant to section 1158; ~~and~~

C. Index mutual funds, but as to this exception, only with the prior approval of the superintendent and limited to 20% of the insurer's admitted assets.

See title page for effective date.

CHAPTER 525

S.P. 672 - L.D. 1875

An Act to Waive the Competitive Bid Requirement for Lease of Certain Unused State Facilities

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

Sec. 1. 5 MRSA §1782, sub-§3, as enacted by PL 1985, c. 758, §1, is amended to read:

3. Director. "Director" means the Director of the Bureau of ~~Public Improvements~~ General Services.

Sec. 2. 5 MRSA §1783, sub-§3, ¶B is enacted to read:

B. Notwithstanding this subsection, the director may lease an available facility or portion of an available facility to a type of organization described in paragraph A without competitive bidding if:

(1) A total of 2,500 square feet or less in the available facility is unused and therefore available for lease; or