

MAINE STATE LEGISLATURE

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STATE OF MAINE.

REPORT

OF THE

ATTORNEY-GENERAL

FOR THE TWO YEARS ENDING

NOVEMBER 30, 1908.

WATERVILLE
SENTINEL PUBLISHING COMPANY
1909

I am of opinion that said chapter 95, of the Private and Special Laws of 1907, and said section 19, of R. S., chapter 7, should be construed together and that under the spirit and intent of said section 19, of R. S., chapter 7, the said \$500 and interest should be transmitted to the treasurer of the State of Maine.

INSURANCE AGENTS AND BROKERS.— REVOCATION OF LICENSE.

Hon. S. W. Carr, Insurance Commissioner, Augusta, Maine:

DEAR SIR:—Relative to your inquiry as to the power of the insurance commissioner to revoke the license of an agent or broker under R. S., chapter 49, section 97, I have the honor to advise you as follows:

Said section 97 provides in general for the licensing of insurance brokers, for the punishment of such broker acting without a license, for the revocation of the license on account of violation of the insurance laws or upon request of the insurance company, and read as follows:

“Section 97. The insurance commissioner may license any person as broker to negotiate contracts of insurance for others than himself for a compensation, by virtue of which license he may effect insurance with any domestic company or its agents; or any resident of the state to negotiate such contracts and effect insurance with the agents of any foreign company who have been licensed to do business in this state as provided in sections seventy-nine and ninety-six, but with no others; said license shall remain in force one year unless revoked as hereinafter provided. Whoever, without such license, assumes to act as such broker, shall be punished by a fine not exceeding fifty dollars, or by imprisonment not more than sixty days for each offense. The insurance commissioner, after reasonable notice, may revoke the license of any agent or broker for violation of the insurance laws; or the license of any agent upon receipt of written request therefor from the company filed in the office of said commissioner.”

Your request is directed as to the authority of the commissioner to revoke a license of any agent or broker for violation

of the insurance laws. I should recommend in the ordinary course the practice which I think has been followed in your department, that in ordinary cases, you insist first upon a conviction of the broker for his misconduct in a court of competent jurisdiction. You will then have before you a record upon which you can act with certainty.

We are not prepared to say, when in some flagrant cases where you are satisfied that, from perhaps improper motives, prosecutions are not instituted, you may not have the power to thoroughly and carefully investigate these matters upon specific charges, reasonable notice and proper proceedings, and thereupon revoke a license for sufficient cause shown. Should a special case of this kind appear, we shall be glad to advise you concerning the same. For your general line of conduct in this matter, however, we advise as above, that the charges for violation of the law should first be determined by a court of competent jurisdiction before you undertake to revoke any license.

AUTOMOBILE INSURANCE.

Hon. S. W. Carr, Insurance Commissioner, Augusta, Maine:

DEAR SIR:—Relative to your inquiry as to whether or not a marine insurance company is authorized to insure automobiles against loss or damage by fire for an extended period, while upon the land and not in transit, and a long time after the transportation of the automobiles has ended, I have the honor to advise you as follows:

Under R. S., chapter 49, section 41, clause II, corporations familiarly known as marine insurance companies may be organized:

“To insure vessels, freights, goods, money, effects and money lent on bottomry or respondentia, against the perils of the sea and other perils usually insured against by marine insurance companies, including risks of inland navigation and transportation.”

I assume that the company you have in mind has for its purposes those enumerated in the clause II just quoted. The business under consideration, therefore, would seem to be, generally speaking, the attempt of a marine insurance company,