

# MAINE STATE LEGISLATURE

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STATE OF MAINE



REPORT  
OF THE  
ATTORNEY GENERAL

for the calendar years  
1955 - 1956

duly appointed Civil Defense and Public Safety law enforcement officers of local, state and sheriffs' organizations.

Clearly, the power of arrest varies as to whether or not the period is one of an emergency or one of an authorized alert. Following this clear distinction in the laws recently enacted by the 1955 legislature, we are of the opinion that officers appointed for the purposes of Civil Defense and Public Safety do not have the power of arrest except in times of emergency.

JAMES GLYNN FROST  
Deputy Attorney General

November 6, 1956

To Harold E. Trahey, Rating Analyst, Insurance Department

Re: Multiple Line Policies

We have your memo of September 27, 1956, in which you ask for an opinion on multiple line policies and the incorporation of the Maine standard fire insurance policy into such multiple line policies by separate slip or rider.

Due to the unusual nature of the problem, we feel that substantial portions of your memo should be here quoted, in order that the background for your question can be seen:

"Until 1949 it had been the conventional practice of insurance companies licensed to do business in Maine to offer the insuring public policies of insurance providing coverage on the basis of insurance by line, i. e., fire, inland marine or casualty. Of these three lines, inland marine insurance most commonly and frequently had and continues to encroach upon the fire and casualty lines, thereby affecting insurance contracts considered to be of a modified multiple line nature.

"In 1949 the Maine Legislature enacted the present section No. 31 of Chapter 60, Maine Insurance Laws, dealing with the subject of multiple line insurance. Said section permits under certain conditions any foreign company licensed to do business in Maine to write the several lines of insurance previously mentioned. Since the enactment of this statute, there has been an increasing tendency within the industry to submit to this Department for its consideration so-called multiple line or package policies covering not only dwelling risks but, more recently, proposing to cover both mercantile contents and buildings. These policies, in our opinion, are a combination into one unit of the several lines of insurance which have always been classed as fire, inland marine and casualty. These same proposed forms of policies purport to provide all physical loss coverages with exclusions as to certain property and perils.

"Of the three lines of insurance herein mentioned, we have in our Maine insurance statutes only one statutory contract applicable thereto; namely, fire insurance. Section 104 of Chapter 60 consisting of seven subsections, sets forth the manner in which a company may impose upon the policy format. With particular reference to subsection VII thereunder, a company is permitted to rearrange the first page of the statutory fire insurance contract to provide space for the listing of amount of insurance, rates and premiums for the basic coverages or perils insured under endorsements attached, and such other data as may be conveniently included for duplication of daily reports for office records. Keeping in mind the

restrictive terminology of subsection VII, this Department has, in our consideration of these various types of multiple line contracts, continued to adhere to the opinion that such forms of policies should incorporate the terminology of the Maine Standard Fire Insurance Policy.

"We are currently holding in suspense proposed forms of multiple line policies purporting to provide certain forms of coverage for the contents of mercantile buildings as submitted by three separate insurance organizations. The original filing of each company involved contained a policy form, the first page of which only slightly resembles that of the Maine Standard Fire Insurance Policy and contained provisions which, although in a great many instances similar to those contained in the Maine statutory policy, were not exact as to either title or terminology. On each occasion we advised the filing company that in view of the above, their proposal was not acceptable. The several companies have to date been unanimous in their attempts to resolve the problem by offering for our consideration a form of endorsement incorporating the *provisions* only of the statutory contract to be attached to their multiple peril policy form. However, they have not to date condescended to reword the first page of such policy form to track with that of our statutory policy. It is each company's contention that our objections to the present format of page one of their contracts are offset by their expressed willingness to incorporate within the contractual proposal a so-called Conformance clause reading as follows: 'The terms of this policy which are in conflict with the applicable Statutes of the state wherein this policy is issued are hereby amended to conform to such Statutes.'

"In view of the situation as above described, we respectfully request from you answers to the following questions with permission to consider such answers as official rulings from your office for future reference.

- "1. Is it permissible for a company, with the approval of the Insurance Commissioner, to *reword* the first page of the Maine Standard Fire Insurance Policy?
- "2a. Are you in accord with the Insurance Department's opinion that multiple line contracts should incorporate the entire terminology of the Maine Standard Fire Insurance Policy?
- b. If your reply to 2a above is in the affirmative, is it your opinion that the incorporation of the entire statutory contract, or any part thereof, can be accomplished by reference as suggested in the form of the Conformance clause above described?"

While, from the nature of your questions, we are not attempting to answer them with either "yes" or "no," we do believe that the following should suffice as answers to all your questions.

It is clearly the intent of the law that all fire insurance policies on property in this State shall be those of the standard statutory form, with any changes to be as authorized by Section 104 of Chapter 60, R. S. 1954.

The words of this statute are clear:

"No fire insurance company shall issue fire insurance policies on property in this state, other than those of the standard form set forth in the following section, except as follows: . . ."

And the Court recognizes the clarity of these words. See *Knowlton vs. Insurance Company*, 100 Me. 481, where, in considering the original enactment of the statutory form, the Court said:

“But the legislative enactment of 1895, chap. 18, prescribed a form for a standard policy of insurance, prohibited insurance companies doing business in this state from issuing policies of fire insurance in any other form. . . .”

That the intent of the legislature was to make this statutory form the basic policy can be seen in subsection VII of Section 104, where, on the assumption that all such policies would be drawn in the form and words of the statute, authority is given to rearrange the first page of the policy:

“VII. The 1st page of the standard fire insurance policy may in form approved by the commissioner be rearranged to provide space for the listing of amounts of insurance, rates and premiums for the basic coverages or perils insured under endorsements attached, and such other data as may be conveniently included for duplication on daily reports for office records.”

Provisions adding to or modifying those contained in the standard form are to be accomplished by separate slips or riders, to be attached to the policy:

“V (Section 104, Chapter 60). A company may write upon the margin or across the face of a policy, or write, or print in type not smaller than 8-point, upon separate slips or riders to be attached thereto, provisions adding to or modifying those contained in the standard form; and all such slips, riders and provisions must be signed by the officers or agent of the company so using them.”

The proposals presented to us contemplate just the opposite procedure: the attachment to a multiple line policy of a separate slip or rider which would contain the provisions of the standard form insurance policy.

It is sufficiently difficult to read with understanding the ordinary insurance policy without beclouding that policy with a rider containing numerous conditions which must also be read and interpolated into the main policy.

Quite probably it was the intent of the legislature, in enacting the standard form insurance policy, to so standardize the provisions of the policy as to minimize the problems arising under a fire insurance policy, and also to enable the people to become familiar with the form of such a policy. To that effect, see Couch, *Cyclopedia of Insurance Law*, Section 72, where it is said, on page 96:

“. . . on the theory that the business of insurance so far affects the public welfare that it is a proper subject for reasonable regulation by the state, by means of the elimination through uniformity of an infinite variety of forms, often containing ingenious and ambiguous clauses which were so inserted that policyholders suffered grievous injustices.”

An examination of the policy presented to us, along with the proposed rider, convinces us that such a policy would be so clearly a departure from the mandatory requirement of the statutes that it would not be proper.

We therefore are of the opinion that a fire insurance policy sold in this State may not be incorporated into a multiple line policy by means of a rider or slip, but must be in the form prescribed by the legislature.

Such fire insurance policy must be a basic policy.

This would not prohibit riders granting extended coverage to other risks.

While Section 31 is entitled, "Multiple line insurance," such title is not the law and in the present instance it does not appear to be related to the content or intent of the section, if multiple line insurance is interpreted to mean inclusion of two or more types of coverage in one policy. Such section merely states that if a foreign corporation is authorized to write one or more of certain types of policy, then it may, with specific exceptions, write all kinds of coverage. It nowhere indicates that several types of coverage may be included in one policy, and, more particularly, does not, expressly or by implication, authorize a fire policy to be included in a multiple line policy, so called, by way of a slip or rider.

JAMES GLYNN FROST  
Deputy Attorney General

November 13, 1956

To Honorable Harold I. Goss, Secretary of State

Subject: Dual Headlights

We have your memorandum of October 4, 1956, in which you ask our opinion as to whether or not a dual headlight system on motor vehicles violates the present Maine law covering that subject.

Chapter 22, Section 43, R. S. 1954, contains the law with respect to headlights, and that portion which relates to your question reads as follows:

"Every motor vehicle and tractor on wheels, other than a motorcycle or motor driven cycle, shall have mounted on the front thereof a pair of lamps, one on the right side and one on the left side, each of approximately equal candle power; . . . ."

Other portions of Section 43 define the candle power of the headlamps, their height above the ground, the manner in which the beam shall be controlled, etc.

The dual headlight system which gives rise to your question consists of two headlighting units, one mounted on each side of the car. Each headlighting unit includes two beam lights mounted in a single housing, and the system provides for both a lower or passing beam and an upper or driving beam.

In further clarification of this system we quote from a description prepared by the Automobile Manufacturers Association:

*"Passing Beam*

One of the lamps contains two filaments. In this lamp a filament located at the focal point of the reflector provides all of the light for a carefully controlled passing beam."

*"Driving Beam*

The other lamp contains a single filament also mounted at the focal point of the reflector. This filament is the primary source of the light providing the driving beam. The balance of the driving beam light is provided by the second filament in the two filament lamp. These filaments, when lighted, are so coordinated as to provide a single well-placed beam for open-road driving."