

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

ONE - HUNDRETH LEGISLATURE

Legislative Document

No. 403

S. P. 157

In Senate, January 18, 1961

Referred to Committee on Business Legislation. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary

Presented by Senator Davis of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-ONE

AN ACT Relating to Rate of Premiums for Group Life Insurance.

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

R. S., c. 60, § 165-A, amended. Section 165-A of chapter 60 of the Revised Statutes, as enacted by chapter 65 of the public laws of 1957, is amended to read as follows :

'Sec. 165-A. Rate of premiums. No domestic or foreign life insurance company shall be permitted to do business in this State if it hereafter delivers or issues for delivery, within this State, any policy of group life insurance on which the premium shall be less than the net premium based on the Commissioners ~~1941 Standard Ordinary~~ **1960 Group** Mortality Table with interest at 3% per annum, plus a loading computed in accordance with a formula which shall be determined by the commissioner. Anything in this chapter to the contrary notwithstanding, any group life insurance policy issued or delivered in this State may provide for readjustment of the rate of premium based on the experience thereunder, at the end of the first year or of any subsequent year of insurance thereunder, and such readjustment may be made retroactive only for such policy year.'

STATEMENT OF FACTS

This act is intended to bring up to date the applicable mortality table used in determining minimum group life insurance premiums, and, if adopted, will provide greater equity as to premium costs among group policyholders. The new group mortality table was officially adopted by the National Association of Insurance Commissioners at its December, 1960, meeting, and its adoption is recommended by that association for all states having statutes regulating group life insurance premiums.