

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIRST LEGISLATURE

Legislative Document

No. 1274

S. P. 445

In Senate, February 12, 1963

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

CHESTER T. WINSLOW, Secretary

Presented by Senator Sproul of Lincoln.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-THREE

AN ACT Relating to Group Accident and Sickness Insurance for Credit Unions.

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

R. S., c. 60, § 120, sub-§ II, ¶ D, additional. Subsection II of section 120 of chapter 60 of the Revised Statutes, as amended, is further amended by adding a new paragraph D, to read as follows:

‘D. A policy issued to a credit union or credit unions, which unions have a constitution and bylaws, and have 50 or more members and are organized and maintained in good faith for purposes other than that of obtaining insurance and have been so organized and maintained for a period of not less than 2 years prior to the issuance of such policy or contract, which shall be deemed the policyholder to insure members of such unions for the benefit of persons other than the unions or any of its officials, representatives or agents, subject to the following requirements:

1. The members eligible for insurance under the policy shall be all of the members of the unions or all of any class or classes thereof determined by conditions pertaining to their employment, or to membership in the unions, or both.
2. The premium for the policy shall be paid by the policyholder, either wholly from the unions' funds, or partly from such funds and partly from funds contributed by the insured members specifically for their insurance. No policy may be issued on which the entire premium is to be derived from funds contributed by the insured members specifically for their insurance. A policy on which part of the premium is to be derived from funds contributed by the insured members specifically for

their insurance may be placed in force only if at least 75% of the then eligible members, excluding any as to whom evidence of individual insurability is not satisfactory to the insurer, elect to make the required contributions. A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

3. The policy must cover at least 25 members at date of issue.'