

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIRST LEGISLATURE

Legislative Document

No. 1275

S. P. 446

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 Life Insurance For Credit Unions.

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

R. S., c. 60, § 164, sub-§ VIII, additional. Section 164 of chapter 60 of the Revised Statutes, as amended, is further amended by adding a new subsection VIII, to read as follows:

‘VIII. Policy issued to a credit union. A policy issued to a credit union or credit unions, 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:

A. 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.

B. The premium for the policy shall be paid by the policyholder, either wholly from the union’s 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.

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