

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
SENATE  
102nd LEGISLATURE

SENATE AMENDMENT "A" to H. P. 1142, L. D. 1562, Bill, 'An Act Establishing the Maine Insurance Advisory Board and Reserve Fund for Uninsured Losses.'

Amend said Bill by striking out all of the Title and inserting in place thereof the following: 'An Act Relating to Insurance on Public Buildings.' Further amend said Bill by striking out everything after the enacting clause and inserting in place thereof the following:

"Sec. 1. R. S., T. 5, §1701, repealed and replaced. Section 1701 of Title 5 of the Revised Statutes is repealed and the following enacted in place thereof:

'§1701. Authorization; deposit of policies

All fire and liability insurance placed upon public buildings and other property belonging to the State shall be requested by the several heads of departments having said property in charge by filing a list of such property and recommendations as to the hazards to be insured against with the Commissioner of Finance and Administration on or before March 1st of each year. The Commissioner of Finance and Administration shall compile a list of all such property and coverages and shall on or before April 1st of the same year file said list with the Insurance Commissioner, the Governor and Council, the Treasurer of State and the Secretary of State where it shall be open for public inspection. The Governor and Council shall on or before May 1st of each year authorize the placement of insurance on state property by submitting the Specifications for open competitive bids to the Treasurer of State who shall advertise such specifications by listing the property to be insured and the hazards to be insured against by placing such lists in the newspapers of the State. The Governor and Council shall place the insurance with the lowest responsible bidder. In the absence of a bid, or in the case of duplicate bids, the Governor and Council may negotiate for suitable coverage at the lowest available rates, and all expense therefor shall be paid from the several departmental appropriations for insurance on said property. Fire insurance coverage shall not exceed 80% of the value of the property insured.'

Sec. 2. R. S., T. 5, §1701-A, additional. Title 5 of the Revised Statutes is amended by adding a new section 1701-A, to read as follows:

'§1701-A. Reserve fund for uninsured losses

Any balance remaining in the biennial appropriation for full coverage fire insurance premiums shall not lapse but become a part of a continuing reserve fund for uninsured losses under the State Fire Insurance Program. The fund shall be administered by the Commissioner of Finance and Administration and may be invested by the Treasurer of State in the manner provided for trust funds of the State. All interest earned shall become a part of said fund.

Allocations from the reserve fund to any department suffering a loss by fire may be authorized by the Governor and Council to cover uninsured losses to the extent of the deductible amount set forth in the policy of insurance.'"

Proposed by CARTER of Kennebec

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