

# MAINE STATE LEGISLATURE

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FIRST SPECIAL SESSION

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ONE HUNDRED AND SECOND LEGISLATURE

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**Legislative Document**

**No. 1731**

H. P. 1236

House of Representatives, January 17, 1966

The Committee on State Government suggested.

JEROME G. PLANTE, Clerk

Presented by Mr. Fortier of Waterville.

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**STATE OF MAINE**

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SIXTY-SIX

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**AN ACT Relating to Insurance on Public Buildings.**

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

**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 R. S., T. 5, § 1701, repealed and replaced.** Section 1701 of Title 5 of the Revised Statutes is repealed and the following enacted in place thereof: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, the Treasurer of State and the Secretary of State where it shall be open for public inspection. The Governor 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 shall place the insurance with the lowest responsible bidder. In the absence of a bid, or in the case of duplicate bids, the Governor 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 90% 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 to cover uninsured losses to the extent of the deductible amount set forth in the policy of insurance.'