

MAINE STATE LEGISLATURE

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ONE HUNDRED AND THIRD LEGISLATURE

Legislative Document

No. 925

S. P. 326

In Senate, February 16, 1967

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

JERROLD B. SPEERS, Secretary

Presented by Senator Johnson of Somerset.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-SEVEN

AN ACT to Create a Commission to Prepare a Revision of the Insurance Law.

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

Sec. 1. Commission; duties. A special commission shall be constituted and appointed to supervise the preparation, in final legislative draft form, of a proposed Insurance Code for the State of Maine, such proposed Code to be presented to the regular session of the 104th Maine Legislature. Such proposed Insurance Code shall include and consist of a complete revision, redraft and rearrangement of all sections of the Revised Statutes pertaining to the business of insurance and the regulation of such business, including, without limitation, all such sections as are included in Title 24 of the Revised Statutes and in any other Titles, the revision of which is deemed appropriate to the purposes hereof. Such proposed Insurance Code may, without limitation, incorporate such necessary repealers, amendments and modifications of existing laws as, in the judgment of such commission, are necessary and appropriate to accomplish such purposes. Such proposed Insurance Code may include such new or modified provisions as, in the judgment of the commission, will best serve the interests of the people of the State, and the commission shall give due consideration to the insurance laws of other states, and the requirements for enforcement thereof and for the regulatory and administrative requirements of the Maine Insurance Department. Such commission shall employ a chief counsel, and, subject to his recommendations, such additional counsel as may be required, to perform the necessary research and drafting of such Code, the chief counsel to meet the requirements as set forth. Such commission shall hold such public hearings as may be deemed necessary to acquaint insurers, and persons interested in the business of insurance, or the regulation thereof, with its proposals and recommendations, and the commission shall have full access to all of the records of the Maine Insurance Depart-

ment for the purposes of its investigations. It is the purpose and intent hereof to provide such commission with sufficient authority and funds to enable it to present to the Maine Legislature a fully modern, integrated and consistent code of public laws dealing with the business of insurance in every aspect.

Sec. 2. Membership. The membership of the commission shall be constituted and appointed as follows: One member shall be a member of the Senate in the 103rd Maine Legislature, to be appointed by the President of the Senate; one member shall be a member of the House, to be appointed by the Speaker of the House; and 5 members shall represent the public, each of whom shall be appointed by the Governor with the advice and consent of the Executive Council. The Insurance Commissioner and the Attorney General shall serve on the commission in an advisory capacity only. In considering such appointments, the Governor shall obtain the recommendations of all segments of the insurance industry. Each member shall serve until the commission shall have completed its work, or until his prior death or resignation. In the event of the death or resignation of any member, his place shall be filled, upon written notice thereof from the commission, by the then President of the Senate, Speaker of the House or Governor, as the case may be, in the same manner as with respect to the original appointment.

Sec. 3. Meetings. The said commission shall be appointed promptly upon enactment hereof, and the Governor shall notify all members of the time and place of the first meeting. At that time the commission shall organize, elect a chairman, vice-chairman and secretary-treasurer, and thereafter shall meet as often as necessary until its work is completed. In all matters as to which there is disagreement, a majority vote shall prevail, and a quorum shall consist of at least 4 members. The commission shall maintain full minutes of its meetings, and such financial records as may be required by the State Auditor.

Sec. 4. Chief counsel. The commission shall contract a chief counsel, who need not be a resident of this State, who shall have the responsibility for legal research and drafting required in connection with the preparation of the proposed Insurance Code, under the direction and supervision of the commission. No person shall be employed as chief counsel who shall not, by virtue of prior training, experience, ability and reputation, have clearly demonstrated the ability to perform the tasks to be assigned to him by the commission, and the commission shall, so far as practicable, employ only a person with prior experience in the preparation of state insurance codes in one or more other states, after due consideration of his references, past performance and work, and ability to perform the job to be assigned pursuant to this Act.

Sec. 5. Reimbursement of expenses. The members of the commission shall serve without compensation, but may be reimbursed for their reasonable expenses in attending meetings, procuring supplies, correspondence and other related and necessary expenditures.

Sec. 6. Appropriation. There is appropriated from the Unappropriated Surplus of the General Fund the sum of \$45,000 for the fiscal year ending June 30, 1968, to carry out the purposes of this Act. Any unexpended balances shall not lapse but shall remain a continuing carrying account until June 30, 1971.