

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 1797

H. P. 1377

In House of Representatives, June 1, 1971

Reported by Mr. Trask from Committee on Business Legislation and
printed under Joint Rules No. 18.

BERTHA W. JOHNSON, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

**AN ACT Amending the Maine Insurance Code Relating to Fees
and Licensing.**

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

Sec. 1. R. S., T. 24-A, § 601, sub-§§ 7 and 8, repealed and replaced. Subsections 7 and 8 of section 601 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, are repealed and the following enacted in place thereof:

7. Consultant license

**A. Resident consultant, application for original license
and issuance, if issued**

25.00

Annual continuation

25.00

**B. Nonresident consultant, application for original
license and issuance, if issued**

50.00

Annual continuation

50.00

8. Adjuster license

**A. Resident adjuster, application for original
license and issuance, if issued**

5.00

Annual continuation

5.00

**B. Nonresident adjuster, application for original
license and issuance, if issued**

10.00

Annual continuation

10.00

Sec. 2. R. S., T. 24-A, § 1517, sub-§ 1, amended. The first sentence of subsection 1 of section 1517 of Title 24-A of the Revised Statutes, as en-

acted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

A firm or corporation shall be licensed only as an agent, ~~or~~ broker, ~~or~~ adjuster or consultant.

Sec. 3. R. S., T. 24-A, § 1519, sub-§ 2, amended. The first sentence of subsection 2 of section 1519 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

As to applicants not theretofore licensed under this Title or licensed as insurance agent, broker or adjuster in this State under laws heretofore in force, the commissioner shall secure, as soon as is reasonably possible after filing of the application, a credit and investigation report relative to the applicant from a recognized and established independent investigation and reporting agency; except, that in lieu of obtaining a special such report, the commissioner may, in his discretion, accept **with the application** a similar report furnished by or on behalf of an insurer which proposes to appoint the applicant as its agent.

Sec. 4. R. S., T. 24-A, § 1521, sub-§ 3, amended. Subsection 3 of section 1521 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

3. Applicants for limited license under section 1531, **subsection 1, paragraph B**, who solicit or sell insurance incidental to the transportation of persons or to the storage or transportation of property, and as to insurance so transacted.

Sec. 5. R. S., T. 24-A, § 1528, repealed and replaced. Section 1528 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is repealed and the following enacted in place thereof:

§ 1528. License categories

The commissioner shall issue under this chapter the following categories of license only:

1. Agent license:

A. Resident;

B. Nonresident;

C. Except as provided in section 1531, an agent license must cover one or more of the following:

(1) General lines as defined in 1503;

(2) Life as defined in 1504, initial;

(3) Life as defined in 1504, permanent;

(4) Health as defined in 1505;

(5) Variable annuity as defined in 1520, subsection 3.

2. Broker license:

A. Resident;

B. Nonresident;

C. Broker license must cover one or both of the following:

(1) General lines as defined in 1506, subsection 2;

(2) Life as defined in 1506, subsection 3.

3. Consultant:

A. Resident;

B. Nonresident;

C. Consultant license must cover one or both of the following:

(1) General lines as defined in 1508, subsection 2;

(2) Life as defined in 1508, subsection 3.

4. Adjuster as defined in 1509:

A. Resident;

B. Nonresident;

Sec. 6. R. S., T. 24-A, § 1529, sub-§ 2, amended. Subsection 2 of section 1529 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

2. The license of an agent shall not specify the name of any particular insurer by which the licensee is appointed as agent ~~except as provided in subsection 4, as to limited licenses~~; and the licensee may, subject to section 1530 as to life or health agents, represent as such agent under the one license as many insurers as may appoint him therefor, with respect to the kind or kinds of insurance covered by the license, in accordance with this chapter.

Sec. 7. R. S., T. 24-A, § 1529, sub-§ 4, repealed. Subsection 4 of section 1529 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is repealed as follows:

~~4. Each limited license issued pursuant to section 1531 shall show also the name of the insurer so represented, and a separate license shall be required as to each such insurer~~

Sec. 8. R. S., T. 24-A, § 1531, sub-§ 1, ¶ B, amended. Paragraph B of subsection 1 of section 1531 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

B. ~~To persons representing public carriers~~ Travel accident and baggage insurance, as provided in subsection 3 of section 1521; or

Sec. 9. R. S., T. 24-A, § 1531, sub-§ 1, ¶ D, additional. Subsection 1 of section 1531 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended by adding a new paragraph D to read as follows:

D. Covering only title insurance.

Sec. 10. R. S., T. 24-A, § 1532, sub-§ 1, amended. The 2nd sentence of subsection 1 of section 1532 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

Any such license not so continued on or before December 31 shall be deemed to have expired as at midnight on such December 31; ~~except that the commissioner may effectuate a request for continuation received by him within 30 days after such December 31 if accompanied by an annual continuation fee of 150% of the continuation fee otherwise required.~~

Sec. 11. R. S., T. 24-A, § 1532, sub-§ 2, amended. Subsection 2 of section 1532 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended by adding a new sentence at the end to read as follows:

An initial life license may not be issued for a 2nd insurer.

Sec. 12. R. S., T. 24-A, § 1533, repealed and replaced. Section 1533 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is repealed and the following enacted in place thereof:

§ 1533. Appointment of agents

1. Each insurer appointing an agent in this State shall file with the commissioner the appointment in writing, specifying the kinds of insurance or annuity business to be transacted by the agent for the insurer, and pay the appointment fee, at the rate specified in section 601 (fee schedule). An agent required to take a variable annuity examination pursuant to section 1520 shall be separately appointed as to variable annuities and the insurer shall pay a separate appointment fee therefor.

2. Subject to annual continuation by the insurer as provided in section 1534, each appointment shall remain in effect until the agent's license is revoked or otherwise terminated, unless the insurer earlier terminates the appointment as provided in section 1535.

Sec. 13. R. S., T. 24-A, § 1534, amended. Section 1534 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

§ 1534. Annual continuation of appointment

1. In order to spread the renewal of limited licenses and continuation of agent appointments with reasonable uniformity throughout the calendar year, the commissioner shall fix a date, "insurer's anniversary," upon which all such licenses and appointments shall be subject to renewal or continuation

as to a particular insurer and shall give the insurer at least 90 days advance written notice of such date.

2. Annually on or before the insurer's anniversary the insurer shall file with the commissioner an alphabetical list of the names and addresses of all its agents in this State whose appointments ~~or licenses in the case of limited licenses~~ are to remain in effect as to the kinds of insurance or annuity business for which the respective agents are so appointed ~~or licensed~~, accompanied by payment of the annual continuation of appointment fee, ~~or license fee in the case of limited licenses~~ as specified in section 601 (fee schedule). At the same time, the insurer shall also file with the commissioner an alphabetical list of the names and addresses of all its agents whose appointments ~~or limited licenses~~ in this State are not to remain in effect ~~or whose appointment as to certain kinds of insurance or annuity business are not to remain in effect and as designated in such list~~. Any appointment ~~or limited license~~ not so continued and not otherwise expressly terminated shall be deemed to have expired at midnight on the insurer's anniversary.

Sec. 14. R. S., T. 24-A, § 1536, sub-§ 3, repealed. Subsection 3 of section 1536 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is repealed.

Sec. 15. R. S., T. 24-A, § 1611, sub-§ 2, amended. Subsection 2 of section 1611 of Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended to read as follows:

2. The agent may grant a power of attorney to an ~~individual who is 21 years or more of age~~ adult as defined by statute to sign and countersign policies and endorsements in his name and behalf after first obtaining the commissioner's written consent and that of the proper official of the insurer involved.