

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SIXTH LEGISLATURE

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**Legislative Document**

**No. 673**

H. P. 508

House of Representatives, February 7, 1973

Referred to Committee on State Government. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Gauthier of Sanford.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-THREE

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**AN ACT Combining Group Life and Health Insurance for State Employees  
into a Single Program.**

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**Emergency preamble.** Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, under the present law group life and health insurance programs for state employees are separate programs; and

Whereas, to combine both to be administered by one state agency will result in savings in administration and will provide for competitive bidding with further savings; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine, and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. R. S., T. 5, § 287, additional.** Title 5 of the Revised Statutes is amended by adding a new section 287 to read as follows:

**§ 287. Purchase of policies**

The board of trustees is authorized to purchase from one or more life insurance companies a policy or policies of group life and accidental death and dismemberment insurance to provide the benefits specified in sections

1151, 1152 and 1153. Such company or companies must be licensed under the laws of the State of Maine. The initial premium rate shall be the minimum rate permitted an insurance company authorized to do business in all states. The policy provisions shall be subject to and as provided for by the insurance laws of this State, except as modified by sections 1151, 1152 and 1153. The actual administration of the program shall be vested in the Board of Trustees of the Maine State Retirement System.

Notwithstanding any other provisions of the law, the board of trustees may contract with one or more underwriters for all coverage as a package or for individual portions as deemed in the best interests of the State and the covered employees.

**Sec. 2. R. S., T. 5, § 1151, sub-§ 8, repealed.** Subsection 8 of section 1151 of Title 5 of the Revised Statutes is repealed.

**Sec. 3. R. S., T. 5, § 1152, sub-§ 3, repealed and replaced.** Subsection 3 of section 1152 of Title 5 of the Revised Statutes, as repealed and replaced by section 7 of chapter 589 of the public laws of 1971, is repealed and the following enacted in place thereof:

**3. May employ counsel or assistance.** The board of trustees may employ such professional counsel or other expert assistance as is deemed necessary to assist the board of trustees provided in chapter 13, subchapter 2 in their preparation and consideration of proposals for group insurance coverage.

**Sec. 4. Intent.** It is the intent of the Legislature that any existing plans or contractual agreements presently in force shall continue until amended or changed according to law.

**Emergency clause.** In view of the emergency cited in the preamble, this Act shall take effect when approved.

#### STATEMENT OF FACT

The purpose of the bill is to combine group health and life insurance for state employees for the purpose of competitive bidding and savings by administration through a single state agency.