MAINE STATE LEGISLATURE

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STATE OF MAINE SENATE 106TH LEGISLATURE

COMMITTEE AMENDMENT " A" to S.P. 258, L.D. 755, Bill, "AN ACT Relating to the Maine Automobile Insurance Cancellation Control Act."

Amend said Bill in section 1 in that part designated "§2915." by striking out the last sentence of the first paragraph and all of the 2nd paragraph and inserting in place thereof the following:

'The reason shall accompany the notice of cancellation, together
with notification of the right to a hearing before the commissioner
within 15 days as provided herein.'

Further amend said Bill in section 1 in that part designated "§2917" by striking out the last sentence of the first paragraph and all of the 2nd paragraph and inserting in place thereof the following:

'The reason shall accompany the notice of intent not to renew, together with notification of the right to a hearing before the commissioner within 15 days as provided herein.'

Further amend said Bill in section 1 in that part designated "§2920." by inserting before the last sentence a new sentence to read as follows:

'The Insurance Commissioner shall have the authority to order that a policy continue in effect.'

Further amend said Bill in section 1 by striking out all of that part designated "§2922."

(Filing Mr. 8-99)

Statement of Fact

The purpose of this amendment is to require that a statement of reason must accompany a notice of cancellation or failure to renew, to make clear that the Insurance Commissioner has the authority to order that a policy continue in effect when an insurer has not met his burden of proof of the reason for cancellation or failure to renew and to delete the grant of immunity from liability for statements made about cancellation or failure to renew.

Reported by the Majority of the Committee on Business Legislation. Reproduced and distributed pursuant to Senate Rule 11 A.

April 27, 1973. (Filing No. S-99).