

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 131

H. P. 117

House of Representatives, January 20, 1977

Reported by Mr. Goodwin from the Committee on Health and Institutional Services, pursuant to H. P. 1724. Printed under Joint Rules No. 17.

EDWIN H. PERT, Clerk

Filed by the Joint Standing Committee on Health and Institutional Services under Joint Rule No. 17, pursuant to H. P. 1724.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

**AN ACT to Prohibit Insurance Discrimination Against Operators of
Boarding Care Facilities.**

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

24-A MRSA § 2159-B is enacted to read:

§ 2159-B. Insurance discrimination against operators of boarding care facilities prohibited

No insurance company authorized to transact business in this State shall cancel, reduce liability limits of, increase the premiums of, or refuse to issue or to renew any casualty or property insurance policy that a company sells, for the sole reason that the insured or the applicant for insurance, including an individual or a corporation, seeks coverage directly related to the operation of a boarding care facility, as defined in Title 22, section 7901. For the purposes of this section, the operation of such a facility shall include, but not be limited to, any activities within and outside of the facility which are supervised by the insured or the applicant, or his agent, and any transportation provided by the insured or the applicant, or his agent, to the residents of the facility.

STATEMENT OF FACT

In carrying out the mandates of H. P. 1724, the Committee on Health and Institutional Services of the 107th Legislature learned that the operators of

some boarding care facilities for mentally retarded individuals have been having difficulties in obtaining adequate insurance coverage. In many instances insurance companies appear to be reluctant to provide casualty and property insurance for any individual or organization working with handicapped individuals.

The purpose of this bill is to require insurers to sell adequate insurance to the operators of boarding care facilities.