

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

---

---

ONE HUNDRED AND EIGHTH LEGISLATURE

---

---

Legislative Document

No. 632

H. P. 514

House of Representatives, February 24, 1977

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

EDWIN H. PERT, Clerk

Presented by Mr. Jalbert of Lewiston.

---

---

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-SEVEN

---

---

**AN ACT** Relating to Recoupment Procedures under the Maine Medical and  
Hospital Malpractice Joint Underwriting Association Act.

---

---

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

24 MRSA § 2405, sub-§ 6, as enacted by PL 1975, c. 442, is repealed and the following enacted in its place:

6. Certification. The association shall certify to the superintendent the estimated amount of any deficit remaining after the stabilization reserve fund has been exhausted in payment of the maximum final premium for all policyholders of the association. Within 60 days after such certification, the superintendent shall authorize the members of the association to commence recoupment of their respective shares of the deficit, by withholding their respective shares of the deficit from present or future premium taxes due the State on those kinds of insurance which form the basis for their participation in the association under the procedures established by the association. Recoupment by members pursuant to this section shall be limited to an assumed premium tax rate of 1%. The association shall amend the amount of its certification of deficit to the superintendent as the value of its incurred losses become finalized and the members shall amend their recoupment accordingly.

FISCAL NOTE

Under this Act, there is a remote possibility of a loss of revenue to the State in future years.

STATEMENT OF FACT

The present Maine Medical and Hospital Malpractice Joint Underwriting Association Act provides for recoupment of losses by the application of a 2%

surcharge to the annual premiums due from policyholders of those kinds of insurance which form the basis of an insurers participation in the Joint Underwriting Association. This bill would allow members of the association to recoup their losses by withholding their shares of the deficit from premium taxes due the State.