

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
108TH LEGISLATURE
FIRST REGULAR SESSION

(Filing No. H-617)

COMMITTEE AMENDMENT "A" to H.P. 807, L.D. 983, Bill, "AN ACT to Amend the Insurance Laws Regarding Licensing Procedures for Agents of Fraternal Benefit Societies."

Amend the bill by striking out all of the title and inserting in its place the following:

'AN ACT to Provide Exemptions from Licensure for Certain Insurance Agents and Officers of Benefit Societies and Amend the Procedure for Licensing.'

Further amend the bill by striking out everything after the enacting clause and inserting in its place the following:

'Sec. 1. 24-A MRSA §4128, as enacted by PL 1969, c. 132, §1 and as amended by PL 1973, c. 585, §12, is repealed and the following enacted in its place:

§4128. Licensing of agents

Agents of societies shall be licensed in accordance with chapter 17 provided the examination requirements of chapter 17 shall not be applicable to any agent who was in the service of a society on January 1, 1978, and provided <--- --> that no insurance agent's license shall be required of the following:

1. Officer devoting substantial time to activities other than solicitation or negotiation of insurance contracts. Any officer, employee or secretary of any such society or of any subordinate lodge or branch thereof who devotes substantially all of his time to activities other than the solicitation or negotiation of insurance contracts and who receives no commission or other compensation directly

dependent upon the number or amount of contracts solicited or negotiated;

2. Agent devoting less than 50% of time to solicitation and procurement of insurance contracts. Any agent or representative of a society who devotes less than 50% of his time to the solicitation and procurement of insurance contracts for such society. Any person, who in the preceding calendar year has solicited and procured life insurance in excess of \$50,000, face amount, or, in the case of any other kind or kinds of insurance which the society may write, on the persons of more than 25 individuals and who has received or will receive a commission or other compensation therefor, shall be presumed to be devoting 50% of his time to the solicitation or procurement of insurance contracts for such society; or

3. Persons who do not effect insurance. Any member of a society who does not effect insurance and whose solicitation or negotiation is incidental to securing new members for his society and whose only remuneration consists of prizes in the form of merchandise or payments of a nominal amount.

Sec. 2. Effective date. This Act shall become effective on January 1, 1978.'

Statement of Fact

This amendment provides licensing for agents and officers of benefit societies who sell insurance. It also provides exemptions from licensure for agents or officers selling insurance prior to the effective date of the Act or those who fall within the conditions outlined in subsections 1, 2 and 3.

Reported by the Committee on Business Legislation.

Reproduced and distributed under the direction of the Clerk of the House.
6/15/77

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