

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 257

H. P. 208

House of Representatives, February 1, 1979

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

EDWIN H. PERT, Clerk

Presented by Mr. Carroll of Limerick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT Concerning the Maine Property Insurance Cancellation Control Act.

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

24-A MRSA § 3054, as amended by PL 1973, c. 585, § 12, is further amended by adding at the end the following new paragraph:

No insurer or licensed agent or employee of the insurer shall be liable in any separate civil action for statements made or information provided pursuant to this subchapter in a notice of intent or at a hearing held pursuant to this section, except as provided in Title 10, chapter 210, or unless the statements made or information provided are defamatory or constitute an invasion of privacy, and then only if made or provided with malice or in reckless disregard of the truth.

STATEMENT OF FACT

Insurers are now required by law to give "explicit" reasons for nonrenewal or a cancellation of property insurance. In the event an insurer disagrees with the reasons given, he may have a prompt hearing before the Insurance Superintendent. If the insurer fails to convince the superintendent of its "explicit" reasons, the superintendent may order the policies to continue in effect. The matter should end there and not serve as the launching pad for separate civil suit against the insurer.