

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)

FIRST REGULAR SESSION

ONE HUNDRED AND NINTH LEGISLATURE

Legislative Document

No. 686

S. P. 234

In Senate, February 21, 1979

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

Presented by Senator Najarian of Cumberland.

MAY M. ROSS, Secretary of the Senate

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-NINE

AN ACT to Amend the Definition of Wholesale Life Insurance.

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

24-A MRSA § 2540, as last amended by PL 1973, c. 204, is further amended by adding at the end a new sentence to read:

In addition to the wholesale plans referred to in this section, wholesale life insurance may also be issued to any group of persons eligible for franchise health insurance under section 2740, subject to the terms and conditions of that section.

STATEMENT OF FACT

This bill would remove an arbitrary discrepancy between franchise health insurance and wholesale life insurance. The present law limits eligibility for wholesale life insurance to 3 or more employees of an employer. The franchise health statute permits issuance not only to employees but also to members, employees or employees of members of any trade or professional association or of a labor union or any other association having had an actual existence for at least 2 years. This bill would authorize issuance of wholesale life insurance to all those groups specified under the franchise health statute, thereby putting life and health coverage on an equal footing.