

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
109TH LEGISLATURE  
FIRST REGULAR SESSION

(Filing No. H-552)

COMMITTEE AMENDMENT "A" to H.P. 621, L.D. 778, Bill,  
"AN ACT to Clarify and Amend the Investment Provisions of  
the Maine Insurance Code."

Amend the Bill in section 12 by striking out all of the  
last underlined sentence of paragraph A of subsection 1  
of that part designated "§1131."

Further amend the Bill in section 12 by inserting at the  
end of subsection 1 of that part designated "§1131."  
the following:

'C. No loan or investment shall cause the insurer  
to exceed the specific diversification requirements  
enumerated in sections 1105 and 1106.'

Further amend the Bill in section 13 by adding at the  
end before the statement of fact the following underlined  
sentence:

'These programs shall conform to provisions contained in a  
regulation promulgated by the Superintendent of Insurance,  
on a prospective basis covering those programs and  
which sets consistent standards for the collateral security  
deposits.'

"A"

Committee Amendment to H.P. 621, L.D. 778

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Statement of Fact

This amendment removes the sentence in section 1131, Title 24-A, subsection 1, paragraph A, authorizing the superintendent of Insurance to promulgate regulations. The sentence was unnecessary because the superintendent already has sufficient regulatory authority in this area under Title 24-A, section 212. The amendment also makes clear that the investment diversification limits in Title 24-A, sections 1105 and 1106 may not be circumvented under the miscellaneous investment provision. Finally, the amendment requires that portfolio loans shall comply with regulations promulgated to guarantee their security.

Reported by the Committee on Business Legislation  
Reproduced and distributed under the direction of the  
Clerk of the House.  
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