

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE
4

5 Legislative Document

No. 2007
6

7 H.P. 1527

House of Representatives, January 26, 1984

8 Submitted by the Department of Business, Occupational and Professional
9 Regulation pursuant to Joint Rule 24.

10 Reference to the Committee on Business Legislation is suggested and
ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Racine of Biddeford.

11 Cosponsored by Senator Charette of Androscoggin, Representative
Perkins of Brooksville and Representative Telow of Lewiston.

12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-FOUR
16

17 AN ACT to Exclude Business Insurance
18 Transactions from the Insurance Premium
19 Finance Company Act.
20

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

23 9 MRSA §4052, sub-§6, as enacted by PL 1975, c.
24 429, §1, is amended to read:

25 6. Insured. "Insured" means a person an
26 individual who, primarily for personal, family or
27 household purposes, enters into an insurance premium
28 finance agreement with an insurance premium finance
29 company or makes and delivers an insurance premium
30 finance agreement to, or to the order of, an insur-
31 ance agent or broker, whether or not he is insured
32 under an insurance contract, premiums for which are
33 advanced or to be advanced under the insurance premi-
34 um finance agreement.

1 STATEMENT OF FACT

2 The purpose of this bill is to exclude business
3 insurance transactions from the coverage of the In-
4 surance Premium Finance Company Act. The Insurance
5 Premium Finance Company Act is administered by the
6 Bureau of Consumer Credit Protection. In no other
7 area of its authority does the bureau have jurisdic-
8 tion over business to business transactions. This
9 responsibility is inconsistent, not only with the bu-
10 reau's primary objective of protecting consumers, but
11 also with the philosophy, recognized in virtually all
12 other "protective" statutes, that businesses have the
13 financial and managerial wherewithal to protect their
14 own interests. By eliminating business insurance
15 transactions from the Insurance Premium Finance Com-
16 pany Act, businesses and insurance companies will be
17 able to negotiate their own mutually beneficial in-
18 surance arrangements, unhampered by a statute de-
19 signed to protect another group, namely consumers.

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