# MAINE STATE LEGISLATURE

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	1 SECOND REGULAR SESSION 2
	3 ONE HUNDRED AND ELEVENTH LEGISLATURE 4
	5 Legislative Document No. 2110
	7 S.P. 784 In Senate, February 23, 1984 Approved for introduction by the Legislative Council pursuant to Joint
	Rule 26. Referred to the Committee on Business Legislation. Ordered printed and
:	sent down for concurrence.  JOY J. O'BRIEN, Secretary of the Senate Presented by Senator Sewall of Lincoln.
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	STATE OF MAINE
	IN THE YEAR OF OUR LORD  NINETEEN HUNDRED AND EIGHTY-FOUR  Output  Description:
	AN ACT Relative to Group Legal Insurance.
	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 24-A MRSA §711 is enacted to read:
	§711. Legal services insurance
	"Legal services insurance" is insurance which involves the assumption of a contractual obligation to reimburse the beneficiary against or pay on behalf of the beneficiary all or a portion of his fees, costs or expenses related to or arising out of services performed by or under the supervision of an attorney who is not an employee of or under the control of the insurer directly or indirectly and who is licensed to practice in this State.
	Sec. 2. 24-A MRSA §1503, sub-§§5 and 6, as en-

- 5. Health insurance, when transacted by an insurer also represented by the same agent as to property or casualty or surety insurance; and
- 4 6. Title insurance; and
- 5 Sec. 3. 24-A MRSA §1503, sub-§7 is enacted to 6 read:
- 7. Legal services insurance.
- 8 Sec. 4. 24-A MRSA §1506, sub-§2, ¶¶D and E, as
  9 enacted by PL 1969, c. 132, §1, are amended to read:
- D. Surety insurance; and
- 11 E. Title insurance:; and
- 12 F. Legal services insurance.
- 13 Sec. 5. 24-A MRSA §1508, sub-§2, ¶E, as enacted 14 by PL 1969, c. 132, §1, is amended to read:
- 15 E. Title insurance:; and
- 18 F. Legal services insurance.
- 19 Sec. 7. 24-A MRSA §2302, sub-§1, ¶C, as amended 20 by PL 1973, c. 585, §12, is further amended to read:
- C. Property, marine and inland marine insurance on risks located in this State. Inland marine insurance shall be deemed to include insurance now or hereafter defined by statute, or by interpretation thereof, or if not so defined or interpreted, by ruling of the superintendent, or as established by general custom of the business, as
- 28 inland marine insurance; and
- 29 Sec. 8. 24-A MRSA §2302, sub-§1, ¶D is enacted 30 to read:
- 31 D. Legal services insurance.

- Sec. 9. 24-A MRSA §2412, sub-§1, as amended by PL 1973, c. 585, §12, is further amended to read:
- 3 1. No basic insurance policy or annuity contract 4 form, or application form where written application 5 is required and is to be made a part of the policy or 6 contract, or printed rider or endorsement form or 7 form of renewal certificate, shall be delivered, or 8 issued for delivery in this State, unless the form 9 has been filed with and approved by the superintend-10 This provision shall not apply to surety bonds, 11 or to specially rated inland marine risks, or to policies, riders, endorsements or forms of unique character designed for and used with relation to insur-12 13 14 ance upon a particular subject, or which relate to 15 the manner of distribution of benefits or to the res-16 ervation of rights and benefits under life or health 17 insurance policies and are used at the request of the 18 individual policyholder, contract holder, or certifi-19 cate holder. As to group insurance policies effectu-20 ated and delivered outside this State but covering 21 persons resident in this State, the group certifi-22 cates to be delivered or issued for delivery in this State shall be filed, for the superintendent's infor-23 24 mation only, with the superintendent at his request. 25 to forms for use in property, marine other than 26 wet marine and transportation insurance, casualty, 27 legal services and surety insurance coverages the 28 filing required by this subsection may be made 29 rating organizations on behalf of its members and 30 subscribers; but this provision shall not be deemed 31 to prohibit any such member or subscriber from filing 32 any such forms on its own behalf.
- 33 Sec. 10. 24-A MRSA c. 38 is enacted to read:

34 CHAPTER 38

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### LEGAL SERVICES INSURANCE

- §2881. Contracts subject to general provisions
- All contracts of legal services insurance delivered or issued for delivery in this State and covering subjects resident, located or to be performed in this State are also subject to the applicable provisions of chapter 27 and to other applicable provisions of this Title.

## 1 §2882. Group legal services insurance

2 Any insurer authorized by this Title to write le-3 gal services insurance in this State may issue group legal services insurance policies. Group legal ser-4 5 vices insurance shall be voluntary legal services in-6 surance covering not fewer than 10 employees or mem-7 bers with or without their eligible dependents, writ-8 ten under a master policy issued to any of the groups 9 or organizations to which group life insurance may be 10 issued under chapter 31.

# 11 §2883. Selection of attorney

Beneficiaries of a legal services insurance policy shall have complete freedom in selecting an attorney to provide legal services which are the subject of that insurance, except as otherwise provided in this chapter.

## §2884. Coverage

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Legal services insurance, as defined in section 711, may also include provisions for basic legal advice only, rendered to the beneficiary, by telephone or mail, by one or more attorneys licensed to practice in this State, none of whom are employees of or under the control of the insurer directly or indirectly. Legal services insurance does not include the provision of or reimbursement for legal services incidental to other insurance coverages.

#### STATEMENT OF FACT

The purpose of this bill is to provide for the issuance of group legal insurance in this State.

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