

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 2148

6
7 H.P. 1519

House of Representatives, March 5, 1986

8 Submitted by the Department of Public Safety pursuant to Joint Rule 24.

9 Referred to the Committee on Business and Commerce. Sent up for
concurrency and ordered printed.

EDWIN H. PERT, Clerk

10 Presented by Representative Beaulieu of Portland.

Cosponsored by Representative Greenlaw of Standish and Senator Tuttle
of York.

11
12 STATE OF MAINE
13

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

17 AN ACT Concerning the Regulation of Surplus
18 Lines Insurance Agencies.
19

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

22 24-A MRSA §2017, sub-§1, as amended by PL 1973,
23 c. 585, §12, is further amended to read:

24 1. Each broker shall file an annual report in
25 January with the superintendent and the Treasurer of
26 State containing a sworn statement of the gross pre-
27 mium charged for insurance placed, and the gross re-
28 turn premiums on the insurance cancelled, during the
29 year ending on the 31st of the preceding December. At
30 the time of filing the report, he shall pay to the
31 Treasurer of State ~~3%~~ 3.95% of the difference between
32 the gross premiums and the return premiums reported
33 for the business transacted during the year. The
34 Treasurer of State shall transfer .95% of the differ-
35 ence to the State Fire Marshal's account to help de-
36 fray the expenses incurred by the Commissioner of

1 Public Safety in administrations of fire preventive
2 and investigative laws.

3 STATEMENT OF FACT

4 For many years, the Office of the State Marshal
5 has regulated, through inspection and a system per-
6 mit, many areas of the amusement industry. Much of
7 the coverage used to provide insurance protection for
8 stock car tracks, amusement rides, carnivals, cir-
9 cuses, automobile thrill shows, exhibition fireworks,
10 etc., is provided by surplus line brokers who pass
11 this coverage with special insurance companies deal-
12 ing in high-risk liability coverage. It seems only
13 logical and fair that these companies who receive
14 the benefits of services from the Office of the State
15 Fire Marshal should pay their fair portion rather
16 than the fire insurance interests assuming most of
17 the cost.

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