# MAINE STATE LEGISLATURE

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## (NEW DRAFT OF H.P. 294, L.D. 380) (NEW TITLE) SECOND REGULAR SESSION

### ONE HUNDRED AND THIRTEENTH LEGISLATURE

# Legislative Document

NO. 2495

H.P. 1820 House of Representatives, March 10, 1988
Reported by Representative GARLAND from the Committee on
Banking and Insurance and printed under Joint Rule 2.
EDWIN H. PERT, Clerk

Original bill sponsored by Representative STEVENS of Bangor. Cosponsored by Representative RYDELL of Brunswick and Senator BUSTIN of Kennebec.

#### STATE OF MAINE

# IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-EIGHT

AN ACT Pertaining to the Establishment of

Market Assistance Plans.

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	Be it	enacted	bу	the	People	of	the	State	of	Maine	as
				*							

24-A MRSA §2325-A is enacted to read:

§2325-A. Market assistance plans

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1 1. Establishment. Whenever a particular type of insurance is unavailable or unaffordable, the superintendent may establish a market assistance plan.

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- 2. Definition. For purposes of this section a "market assistance plan" is a voluntary agreement between the Bureau of Insurance and insurers that the insurers will write insurance at an agreed upon rate for those persons or groups that are unable to obtain coverage.
- 3. Notification. Whenever the superintendent determines that a market assistance plan is needed, the superintendent shall notify all insurers authorized to write the type of insurance covered by the plan that a market assistance plan is being established and their participation in the plan is requested.
- 17 4. Participation. Each insurer receiving a notice referred to in subsection 3, shall respond within 30 days to the notice. Their response shall indicate the extent to which they are willing to participate and any reasons why they do not wish to participate or only wish to participate on a limited basis.
  - 5. Report. The superintendent shall report to the joint standing committee of the Legislature having jurisdiction over insurance by January 30th of each year whether there is, or may be, within the year a lack of availability in any line of insurance.

#### STATEMENT OF FACT

This new draft deletes all provisions for a joint underwriting association and replaces it with a provision for a voluntary market assistance plan. A market assistance plan is a voluntary agreement between the Bureau of Insurance and insurers to assist groups that have been unable to obtain insurance. The new draft defines a market assistance plan and lists the duties of the superintendent. The new draft requires the superintendent to report to

the Joint Standing Committee on Banking and Insurance yearly regarding availability of insurance.
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