

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 398

H.P. 286

House of Representatives, February 23, 1989

Reference to the Committee on Banking and Insurance suggested and ordered printed.

Ed Pert

EDWIN H. PERT, Clerk

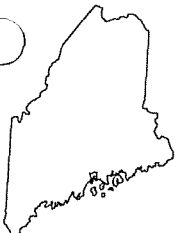
Presented by Representative RAND of Portland.

Cosponsored by Senator THERIAULT of Aroostook, Representative CURRAN of Westbrook and Representative HALE of Sanford.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-NINE

An Act to Include the Casco Bay Island Transit District under the Risk Management Division.



1 **Be it enacted by the People of the State of Maine as follows:**

3 **5 MRSA §1728-A, sub-§1**, as amended by PL 1987, c. 778, §1,
5 is further amended to read:

7 **1. Duties.** The director shall provide insurance advice and
9 services for the State Government and any department or agency
11 thereof for all forms of insurance, except for those departments
13 or agencies and those types of insurance otherwise provided for
15 by law. The director shall provide insurance advice and services
17 for family foster homes, as defined in Title 22, section 8101,
19 subsection 3, ~~and~~ respite care providers, as defined in Title
21 34-B, section 6201, subsection 2-A; and the Casco Bay Island
23 Transit District created by Private and Special Law 1981, chapter
25 22. The director shall be responsible for the acquisition and
administration of all insurance purchased by the State, including
the authority to purchase, on a competitive bid basis, insurance
for the State for automobile, fire, liability and any other type
of coverage which may be necessary to protect the State from
financial loss. The director may enter into contracts for various
types of claims management services in order to insure the most
economically advantageous insurance protection in the operation
of the State's insurance coverage program. In these regards, the
director has the following duties:

27 A. To review annually the entire subject of insurance as it
29 applies to all state property and activities and other
persons pursuant to this section, and to provide to the
commissioner a statement of its activities during the year
ending the preceding June 30th. This report shall include:

31 (1) An evaluation of the state insurance program;

33 (2) A complete statement of all types and costs of
35 insurance in effect;

37 (3) Names of agents and companies of record; and

39 (4) Such other matters as the director determines to
41 be appropriate and necessary or as the commissioner may
request;

43 B. To recommend to the commissioner such insurance
45 protection as the director may deem necessary or desirable
for the protection of all state property or activities or
other insureds under this section;

47 C. Pursuant to programs approved by the commissioner, to
49 provide insurance protection for state property and
51 liability insurance in accordance with the Maine Tort Claims
Act, Title 14, section 8116, and premises liability, when

1 required by a state lease or private property approved by
the Attorney General, by self-insured retention, as
3 provided, or purchase of insurance from companies or agents
licensed to do business in this State, or by both, to effect
5 the best possible contracts as to services, coverages and
costs. The purchase of insurance under this section normally
7 shall be made upon competitive bidding, except that the
director may, in appropriate circumstances, purchase
9 insurance by negotiation.

11 In the event of the purchase of insurance upon competitive
bidding by qualified insurers, the director shall announce
13 the low bid at a meeting advertised for the opening of bids,
which, when approved by the commissioner, shall constitute
15 an award of a contract of insurance;

17 D. To determine and review the values of property in which
the State has an insurable or legal interest and recommend
19 limits and types of insurance protection for that property;

21 E. To establish and promote safety and other loss
prevention programs;

23 F. To receive and, with the assistance of the Attorney
25 General, administer all claims for personal injury and
property damage against the State; and

27 G. With the assistance of the Attorney General, to pursue
29 all claims against 3rd parties in all cases in which the
State may be subrogated to the rights of injured employees
31 or where damage to state property may have resulted from the
negligence of a 3rd party.

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STATEMENT OF FACT

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39 The purpose of the bill is to permit the Risk Management
Division to provide insurance advice and services to the Casco
Bay Island Transit District.