

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 481

S.P. 203

In Senate, February 27, 1989

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator THERIAULT of Aroostook.

STATE OF MAINE

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

An Act to Amend the Maine Insurance Code.



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

3 **Sec. 1. 24-A MRSA §2302, sub-§1, ¶C,** as amended by PL 1973, c.
585, §12, is further amended to read:

5
7 C. Property, marine and inland marine insurance on risks
located in this State. Inland marine insurance shall be
9 deemed to include insurance now or hereafter defined by
statute, or by interpretation thereof, or if not so defined
11 or interpreted, by ruling of the superintendent, or as
established by general custom of the business, as inland
marine insurance; and

13 **Sec. 2. 24-A MRSA §2302, sub-§1, ¶D** is enacted to read:

15 D. Title insurance.

17 **Sec. 3. 24-A MRSA §2302, sub-§2, ¶E,** as enacted by PL 1969, c.
19 132, §1, is amended to read:

21 E. Life insurance; or

23 **Sec. 4. 24-A MRSA §2302, sub-§2, ¶F,** as enacted by PL 1969, c.
25 132, §1, is repealed.

27 **STATEMENT OF FACT**

29 The purpose of this bill is to extend to title insurance the
31 same "file and use" rating provisions already contained in Title
24-A, chapter 25, which currently apply to a number of other
33 lines of insurance, including property and casualty. A majority
of the other states throughout the country have adopted a similar
35 approach to title insurance rate regulations. The bill would
authorize the Superintendent of Insurance to ensure that rates
37 are reasonable and that reserves are adequate. The bill would
also authorize the superintendent to compile statistical data
regarding rates charged by title insurance companies.

39
41 Extending this file and use approach to title insurers would
not significantly increase the administrative burden of the
43 Bureau of Insurance, as there are relatively few title insurance
companies in Maine and the filings would be relatively easy to
45 review.