

MAINE STATE LEGISLATURE

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L.D. 1426

(Filing No. S- 263)

STATE OF MAINE
SENATE
114TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " A " to S.P. 519, L.D. 1426, Bill, "An Act Relating to Certain Proprietary Information of Insurance Agents and Brokers"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

24-A MRSA §2171, as enacted by PL 1969, c. 132, §1, is amended to read:

§2171. Using insurance information to detriment of another

Whenever the instrument requires that the purchaser, mortgagor or borrower furnish insurance of any kind on real or personal property being conveyed or as collateral security to a loan, the mortgagee or lender shall refrain from selling, transferring or otherwise disclosing or using any and all such insurance information to ~~his-or-its~~ the mortgagee's or lender's own advantage and to the detriment of either the borrower, purchaser, mortgagor, insurer or company or agency complying with the requirements relating to insurance.

FISCAL NOTE

The Bureau of Insurance may incur some minor additional administrative costs which could be absorbed within existing budgeted resources.

COMMITTEE AMENDMENT "A" to S.P. 519, L.D. 1426

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STATEMENT OF FACT

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The amendment strikes the language creating a new section of law setting forth an agent or broker property right in insurance information, and prohibiting lenders from selling insurance information obtained in the lending process. The amendment, instead, adds language to the existing law prohibiting the use of insurance information to the detriment of another to clarify that the section prohibits selling and transferring of that information.

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Reported by Senator Bustin for the Committee on Banking and Insurance. Reproduced and Distributed Pursuant to Senate Rule 12.

(6/13/89)

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