

MAINE STATE LEGISLATURE

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114th MAINE LEGISLATURE

SECOND REGULAR SESSION - 1990

Legislative Document

No. 1843

S.P. 705

In Senate, December 8, 1989

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26.

Received by the Secretary of the Senate on December 8, 1989. Referred to the Committee on Banking and Insurance and 1,600 ordered printed pursuant to Joint Rule 14.

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

JOY J. O'BRIEN
Secretary of the Senate

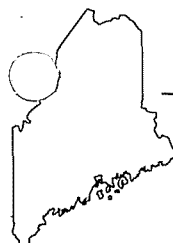
Presented by President PRAY of Penobscot.

Cosponsored by Senator BALDACCI of Penobscot, Representative PEDERSON of Bangor and Representative STEVENS of Bangor.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY

An Act to Exempt Medical Malpractice Captive Insurance Companies from the Requirement to Obtain Certificates of Authority to Transact Insurance in the State of Maine.



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

24-A MRSA §405, sub-§7 is enacted to read:

7. Transactions between an alien insurer and its parent or affiliate to insure against the medical malpractice risks of the parent or affiliate. For purposes of this subsection, "parent" means an individual, partnership or for-profit or nonprofit corporation that directly or indirectly owns, controls or holds with power to vote more than 50% of the entire voting securities of the alien insurer. "Affiliate" means any entity in the same organizational system as the insurer by virtue of common ownership, control, operation or management, whether direct or indirect.

STATEMENT OF FACT

This bill exempts non-United States insurers from the requirement of a certificate of authority to the extent that such insurers insure the medical malpractice risks of their parents or affiliates.