

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 705

H.P. 511

House of Representatives, February 20, 1991

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

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative RAND of Portland.

Cosponsored by Representative TRACY of Rome, Representative KETOVER of Portland and Representative HOGLUND of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Repeal Antirebate Laws.



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

2
3 **Sec. 1. 24-A MRSA §2160**, as enacted by PL 1969, c. 132, §1,
4 is amended to read:

6 **§2160. Advantages -- life, health and annuity contracts**

8 Except as otherwise expressly provided by law, ~~no~~ a person
9 ~~shall~~ may not knowingly permit or offer to make or make any
10 contract of life insurance, life annuity or health insurance, or
11 agreement as to such ~~that~~ that contract other than as plainly
12 expressed in the contract issued thereon, or pay or allow, or
13 give or offer to pay, allow, or give, directly or indirectly, as
14 inducement to such ~~that~~ that insurance, or annuity, ~~any rebate of~~
15 ~~premiums payable on the contract, or~~ any special favor or
16 advantage in the dividends or other benefits thereon, or any paid
17 employment or contract for services of any kind, or any valuable
18 consideration or inducement whatever not specified in the
19 contract; or directly or indirectly give, or sell, or purchase or
20 offer or agree to give, sell, purchase, or allow as inducement to
21 such insurance or annuity or in connection therewith, and whether
22 or not to be specified in the policy or contract, any agreement
23 of any form or nature promising returns and profits, or any
24 stocks, bonds, or other securities, or interest present or
25 contingent therein or as measured thereby, of any insurer or
26 other corporation, association, or partnership, or any dividends
27 or profits accrued or to accrue thereon.

28
29 **Sec. 2. 24-A MRSA §2162**, as amended by PL 1973, c. 585, §12,
30 is further amended to read:

32 **§2162. Unfair discrimination -- property, casualty, surety**
33 **insurance**

34
35 1. ~~No~~ A property, casualty or surety insurer or any
36 employee or representative thereof, and ~~no~~ a broker, agent or
37 solicitor as to such insurance ~~shall~~ may not pay, allow or give,
38 or offer to pay, allow or give, directly or indirectly, as an
39 inducement to insurance, or after insurance has been effected,
40 any ~~rebate~~, discount, abatement, credit or reduction of the
41 premium named in a policy of insurance, or any special favor or
42 advantage in the dividends or other benefits to accrue thereon,
43 or any valuable consideration or inducement ~~whatever, not except~~
44 as specified or provided for in the policy, except and to the
45 extent provided for in an applicable filing with the
46 superintendent as provided by law.

48 2. ~~No such~~ An insurer ~~shall~~ may not make or permit any
49 unfair discrimination between insureds or property having like
50 insuring or risk characteristics in the premium or rates charged
51 for insurance, or in the dividends or other benefits payable
52 thereon, or in any other of the terms and conditions of the
insurance.

2 3. Nothing in this section shall--be--construed--as
3 ~~prohibiting~~ prohibits the payment of commissions or other
4 compensation to duly licensed agents, brokers or solicitors, or
5 ~~as-prohibiting~~ prohibits any insurer from allowing or returning
6 to its participating policyholders, members or subscribers,
7 dividends, savings or unabsorbed premium deposits. As used in
8 this section the word "insurance" includes suretyship and the
9 word "policy" includes bond. This section does not apply as to
10 wet marine and transportation insurance.

12

STATEMENT OF FACT

14

15 This bill repeals the antirebate laws for the insurance
16 industry and allows rebates when specified, promised or provided
17 in the insurance contract.

18