

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 1803

H.P. 1237

House of Representatives, May 6, 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 FARNSWORTH of Hallowell.  
Cosponsored by Senator CONLEY of Cumberland.

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STATE OF MAINE

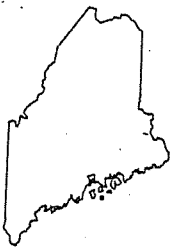
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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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An Act Relating to Unfair Trade Practices in the Insurance Industry.

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

2  
4 Sec. 1. 24-A MRSA §2436-A, sub-§2, as enacted by PL 1987, c.  
291, §2, is repealed.

6 Sec. 2. 24-A MRSA §2436-A, sub-§3 is enacted to read:

8 3. Unfair practices. An insurer that takes an action that  
10 gives rise to a cause of action under subsection 1 commits an  
unfair trade practice under Title 5, chapter 10.

12  
14 **STATEMENT OF FACT**

16 This bill extends to health, life and workers' compensation  
18 insurancethe current laws that give rights and remedies to  
insureds when casualty insurance companies engage in unfair  
claims practices. The bill also provides that any unfair claims  
20 practice is also an unfair trade practice, which allows the  
Attorney General the authority to take action in appropriate  
cases.

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