

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1992

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Legislative Document

No. 2085

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H.P. 1473

House of Representatives, January 7, 1992

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

Cosponsored by Representative MITCHELL of Vassalboro, Representative JOSEPH of Waterville and Senator KANY of Kennebec.

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STATE OF MAINE

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

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**An Act to Amend the Laws Governing Placement of Insurance in the  
Surplus Lines Market.**

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(EMERGENCY)



Emergency preamble. Whereas, Acts of the Legislature do not  
2 become effective until 90 days after adjournment unless enacted  
as emergencies; and

4  
Whereas, current law requires that brokers of surplus lines  
6 insurance remit a surplus tax once a year; and

8  
Whereas, changing the law so that brokers must remit the tax  
on a monthly basis will help revenues by making that money  
10 available immediately; and

12  
Whereas, in the judgment of the Legislature, these facts  
create an emergency within the meaning of the Constitution of  
14 Maine and require the following legislation as immediately  
necessary for the preservation of the public peace, health and  
16 safety; now, therefore,

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

20 **Sec. 1. 24-A MRSA §2016**, as amended by PL 1973, c. 585, §12,  
is further amended to read:

22 **§2016. Monthly report and tax**

24  
Each broker shall file on or before the 15th day of each  
26 month a monthly report with the superintendent showing the amount  
of insurance placed for any person or organization, the location  
28 of each risk, the gross premium charged, the names of each  
insurer in which the insurance was placed, the date and term of  
30 each insurance contract issued during the preceding month and any  
other pertinent information required by the superintendent. The  
32 report shall must show in the same detail each contract cancelled  
during the month covered by the report and the return premium on  
34 it. At the time the report is filed, the broker shall pay to the  
Treasurer of State 3% of the difference between the gross  
36 premiums and the return premiums reported for the business  
transacted during the month covered by the report. If a surplus  
38 lines policy covers risks or exposures in this State, as well as  
other states, the tax must be computed on the proportion of the  
40 premium that is properly allocable to the risks or exposures  
located in this State.

42  
**Sec. 2. 24-A MRSA §2017**, as amended by PL 1973, c. 585, §12,  
44 is repealed.

46  
**Sec. 3. 24-A MRSA §2018**, as amended by PL 1991, c. 298, §5,  
is further amended to read:

