

MAINE STATE LEGISLATURE

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BANKING & INSURANCE

Reported by: Senator McCormick of Kennebec

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**STATE OF MAINE
SENATE
116TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "A " to S.P. 701, L.D. 1899, Bill, "An Act to Require Risk-based Capital Standards and Standard Valuation to Ensure Continued Accreditation for the Bureau of Insurance"

Amend the bill by adding at the end before the statement of fact the following:

PART C

Sec. C-1. 32 MRSA §12228, sub-§10, as enacted by PL 1987, c. 489, §2, is amended to read:

10. Experience. The applicant shall show that he the applicant has had 2 years of experience in the practice of public accountancy or its equivalent, meeting requirements prescribed by the board by rule; or, if the applicant's educational qualifications comprise a baccalaureate degree meeting the requirements set out in ~~section--12228,~~ subsection 3, and a master's degree conferred by a college or university approved by the board and one year of experience, then only one year of experience in that practice or its equivalent is required. To the extent the applicant's experience is as an auditor engaged in the examination of financial statements for the Department of Audit or as a revenue agent or similar position engaged in the examination of personal and corporate income tax returns for the Bureau of Taxation, the applicant shall ~~receive~~ receives credit at the rate of 50% toward the experience required by this subsection. To the extent the applicant's experience is as an examiner engaged in financial examinations for the Bureau of Insurance, the applicant receives credit under this subsection if that experience meets the following standards:

COMMITTEE AMENDMENT

2 A. Examinations are performed in conformity with the
4 Examiners' Handbook published by the National Association of
6 Insurance Commissioners;

8 B. Working papers prepared by the examiners are in
10 conformity with generally accepted auditing standards and
12 are subject to a review by a supervisor who must be a
14 certified public accountant;

16 C. Written reports of examination are prepared in
18 conformity with the Examiners' Handbook published by the
20 National Association of Insurance Commissioners. All
22 examiners working on the examinations must participate in
24 the preparation of the report;

26 D. Reports of examination are prepared in accordance with
28 statutory accounting principles. All examiners working on
30 the examinations must participate in the preparation of the
32 financial statements and corresponding note disclosures; and

34 E. All examiners assigned to an examination must
36 participate in the planning of the examination and the
38 planning phase conforms to the Examiners' Handbook and
40 generally accepted auditing standards.'

42 Further amend the bill by inserting at the end before the
44 statement of fact the following:

30 FISCAL NOTE

32 The Bureau of Insurance will incur some minor additional
34 costs to cover rule-making costs pertaining to accreditation
36 standards that the bureau must comply with. These costs can be
38 absorbed within the bureau's existing budgeted resources.'

38 STATEMENT OF FACT

40 This amendment changes the licensing requirements for
42 certified public accountants as they apply to applicants whose
44 experience is as examiners engaged in financial examinations for
the Bureau of Insurance. This amendment also adds a fiscal
note. This amendment also conforms existing law to current
drafting standards.