

MAINE STATE LEGISLATURE

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DATE: June 13, 1995 (Filing No. S-257)

BANKING AND INSURANCE

Reported by: Senator ABROMSON of Cumberland for the Committee.

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STATE OF MAINE
SENATE
117TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 561, L.D. 1528, Bill, "An Act Concerning Reports of Material Transactions and Other Provisions of the Maine Insurance Code"

Amend the bill in Part A in section 1 in that part designated "§423-C." in subsection 2 in paragraph B in subparagraph (1) in the 4th line (page 1, line 42 in L.D.) by striking out the following: "affects" and inserting in its place the following: 'involves'

Further amend the bill in Part A in section 1 in that part designated "§423-C." in subsection 2 in paragraph B in subparagraph (4) in division (a) in the last line (page 2, line 27 in L.D.) by striking out the following: "or"

Further amend the bill in Part A in section 1 in that part designated "§423-C." in subsection 2 in paragraph B in subparagraph (4) in division (b) in the last line (page 2, line 33 in L.D.) by striking out the following: "cession." and inserting in its place the following: 'cession; or'

Further amend the bill in Part A in section 1 in that part designated "§423-C." in subsection 2 in paragraph B in subparagraph (4) by inserting at the end the following:

'(c) The transaction falls within the scope of a previously reported reinsurance agreement.'

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

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FISCAL NOTE

The Bureau of Insurance within the Department of Professional and Financial Regulation will incur some minor additional costs to administer certain reporting requirements for insurers concerning material transactions, to administer certain confidentiality requirements, to share certain confidential information with insurance regulators from other states and to adopt rules pertaining to the State as a port of entry for alien insurers. These costs can be absorbed within the bureau's existing budgeted resources.'

STATEMENT OF FACT

This amendment makes a clarification in the bill and excepts from the reporting requirements for "material reinsurance transactions" a transaction that falls within the scope of a previously reported reinsurance agreement. If the terms of the reinsurance agreement have been reported to the bureau, it is unnecessary for transactions under that agreement to be reported.

The amendment also adds a fiscal note to the bill.