

# MAINE STATE LEGISLATURE

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DATE: February 13, 1996 (Filing No. S- 425 )

**BANKING AND INSURANCE**

Reported by: Senator ABROMSON of Cumberland for the Committee.

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**STATE OF MAINE  
SENATE  
117TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT " A " to S.P. 651, L.D. 1703, Bill, "An Act to Confirm That Nonprofit Health Care Providers May Achieve Cost Savings on Professional and General Liability Coverage"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 24-A MRSA §6099, sub-§3, as enacted by PL 1993, c. 313, §39, is amended to read:

3. **Prohibition on retention of risk.** A purchasing group ~~must~~ may not purchase insurance providing for a deductible or self-insured retention applicable to the group as a whole---~~That;~~ however coverage also may provide for a deductible or self-insured retention applicable to individual members.'

**STATEMENT OF FACT**

This amendment clarifies that liability insurance purchasing groups formed under the Maine Liability Risk Retention Act may not assume risk. The amendment brings Maine law into accord with the National Association of Insurance Commissioner's model language and is necessary for state accreditation.

**COMMITTEE AMENDMENT**