

MAINE STATE LEGISLATURE

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BANKING AND INSURANCE

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 271, L.D. 335, Bill, "An Act to Prohibit Certain Activities by Insurance Adjusters"

Amend the bill in section 1 in that part designated "**\$1858.**" in subsection 1 in the first and 2nd lines (page 1, lines 10 and 11 in L.D.) by striking out the following: "otherwise offer adjustment services" and inserting in its place the following: 'offer an adjustment services contract'

Further amend the bill in section 1 in that part designated "**\$1858.**" in subsection 2 in the first line (page 1, line 16 in L.D.) by striking out the following: "contract for services" and inserting in its place the following: 'adjustment services contract'

Further amend the bill by inserting after section 1 the following:

Sec. 2. Allocation. The following funds are allocated from Other Special Revenue to carry out the purposes of this Act.

	1997-98	1998-99
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**PROFESSIONAL AND FINANCIAL
REGULATION, DEPARTMENT OF**

COMMITTEE AMENDMENT

2 **Bureau of Insurance**

4	Positions - Legislative Count	(0.500)	(0.500)
	Personal Services	\$6,300\$	\$8,825
6	All Other	3,750	5,000
	Capital Expenditures	3,000	

8
10 Allocates funds for one
12 part-time Market Conduct
14 Examiner and related costs of
enforcing certain
prohibitions pertaining to
insurance adjusters.

16 **DEPARTMENT OF PROFESSIONAL
AND FINANCIAL REGULATION**

18	TOTAL	<u>\$13,050</u>	<u>\$13,825'</u>
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20 Further amend the bill by inserting at the end before the
summary the following:

22 **FISCAL NOTE**

24		1997-98	1998-99
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26 **APPROPRIATIONS/ALLOCATIONS**

28	Other Funds	\$13,050	\$13,825
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30
32 The Bureau of Insurance, within the Department of
Professional and Financial Regulation, will require additional
34 Other Special Revenue allocations of \$13,050 and \$13,825 in
fiscal years 1997-98 and 1998-99, respectively, for one part-time
36 Market Conduct Examiner position and related costs of enforcing
certain prohibitions pertaining to insurance adjusters.

38 The additional workload and administrative costs associated
40 with the minimal number of new cases filed in the Administrative
Court can be absorbed within the budgeted resources of the
42 Judicial Department.'

44 **SUMMARY**

46 This amendment prohibits an insurance adjuster from
48 soliciting or offering an adjustment services contract to a
person not insured by the insurer for which the adjuster is
50 providing services for at least 36 hours after an accident or
occurrence for which the person may have a potential claim. It
52 requires that contracts between adjusters and any person not
insured by the insurer for which the adjuster is providing

R. S.
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2 services contain an option provision for the rescission of the contract within 2 business days after the contract is signed. It also adds an allocation section and a fiscal note.

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COMMITTEE AMENDMENT