

MAINE STATE LEGISLATURE

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BANKING AND INSURANCE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
118TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1564, L.D. 2197, Bill, "An Act to Implement Recommendations of the Joint Standing Committee on Banking and Insurance Relating to the Review of the Bureau of Insurance, the Bureau of Banking and the Securities Division within the Department of Professional and Financial Regulation under the State Government Evaluation Act"

Amend the bill in Part B by striking out all of section 3 and inserting in its place the following:

Sec. B-3. 24-A MRSA §2016, sub-§1, as amended by PL 1997, c. 457, §37, is further amended to read:

1. Each broker producer with surplus lines authority shall maintain in the broker's producer's office within the State a monthly report showing the amount of insurance placed for any person or organization, the location of each risk, the gross premium charged, the name of each insurer with which the insurance was placed, the date and term of each insurance contract issued during the preceding month and any other pertinent information required by the superintendent. The report must show in the same detail each contract cancelled during the month covered by the report and the return premium on it. The monthly report must be made available to the superintendent for examination at the broker's producer's office location in the State at any time or by delivery to the bureau upon 5 days' notice by the superintendent.

~~Within 45 days of the end of each calendar quarter, the broker shall pay to the Treasurer of State 3% of the difference between~~

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~~the gross premiums and the return premiums reported for the business transacted during the preceding calendar quarter.~~

Further amend the bill by inserting at the end before the summary the following:

PART D

Sec. D-1. 9-A MRSA §8-303, sub-§7, ¶B, as amended by PL 1991, c. 755, §1, is further amended to read:

B. The name and state of the financial institution underwriting the debt must appear ~~in-at-least-10-point-type on-the-face-of~~ on the credit card.

Sec. D-2. 9-B MRSA §241, sub-§7, as amended by PL 1991, c. 755, §2, is repealed and the following enacted in its place:

7. Restrictions on use of names of Maine financial institutions on credit cards. A credit card may be titled and may have the name of a financial institution authorized to do business in this State on the card if:

A. The terms of the credit card contract comply with the laws applicable to that financial institution; or

B. The name and state of the financial institution underwriting the debt appears on the credit card.'

Further amend the bill by inserting at the end before the summary the following:

FISCAL NOTE

The Bureau of Banking within the Department of Professional and Financial Regulation will incur some minor additional costs to revise certain rules. These costs can be absorbed within the bureau's existing budgeted resources.

The Securities Division, a part of the Bureau of Banking, will realize some minor savings from an increased authority to bring action involving certain multiple violations.

The Bureau of Insurance within the Department of Professional and Financial Regulation will realize some minor savings from the transfer of the responsibility for collecting insurance premium taxes on surplus lines insurers to the Bureau of Revenue Services within the Department of Administrative and Financial Services. The Bureau of Revenue Services will be able

2 to absorb the minor additional costs associated with shifting of
responsibility for collecting these taxes.'

4
6 **SUMMARY**

8 This amendment clarifies the manner in which surplus lines
insurers pay premium taxes.

10 This amendment adds Part D to the bill. It clarifies that
12 the name of a Maine financial institution may appear on a credit
card issued on its behalf by another financial institution if the
14 name and state of the issuing financial institution also appear
on the card. It also removes the requirement that the name of the
16 financial institution appear in at least 10 point type.

The amendment also adds a fiscal note to the bill.