

MAINE STATE LEGISLATURE

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MS

L.D. 428

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BANKING AND INSURANCE

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 338, L.D. 428, Bill, "An Act to Modify the Bureau of Insurance Complaint Ratios and to Increase the Amount of Penalties Assessed Against Violators of the Maine Insurance Code"

Amend the bill in that part designated "PART A" by striking out all of section 1 and inserting in its place the following:

'Sec. A-1. 24-A MRSA §216, sub-§2, as amended by PL 1997, c. 314, §1, is further amended to read:

2. All records of the bureau are subject to public inspection, except as otherwise expressly provided by law as to particular matters; and except that records, correspondence and reports of investigation in connection with actual or claimed violations of this Title or prosecution or disciplinary action for those violations are confidential. The confidential nature of any such record, correspondence or report may not limit or affect use of the same by the superintendent in any such prosecution or action. This subsection does not preclude participation by the superintendent in the establishment of an interstate complaint handling system that may involve the sharing of information with insurance regulatory officials in other jurisdictions and with the National Association of Insurance Commissioners, as long as the names of the complainant and insured remain confidential. This subsection does not preclude the dissemination of aggregate ratios of substantiated consumer complaints to the public by the superintendent. Only complaints received in writing are included in the calculation of the complaint ratio. A complaint received by electronic means is considered a written complaint. ~~A--substantiated--consumer complaint--includes--any--matter--in--which--the--resolution--results--in~~

COMMITTEE AMENDMENT

2 ~~a-favorable-outcome-to-the-consumer,-including,-but-not-limited~~
 3 ~~to,-the-recovery-of-premium-refunds,-additional-amounts-paid-on~~
 4 ~~claims-or-policy-reinstatements.--A-matter-in-which-the-actions~~
 5 ~~of--an--insurer--are--in--violation--of--this--Title--is--deemed--a~~
 6 ~~substantiated-complaint. For the purposes of this subsection, a~~
 7 ~~"consumer complaint" means any written complaint that results in~~
 8 ~~the need for the bureau to conduct further investigation or to~~
 9 ~~communicate in writing with a regulated entity for a response or~~
 10 ~~resolution to the complaint. The superintendent shall adopt~~
 11 ~~rules necessary to define the method for calculating complaint~~
 12 ~~ratios. Rules adopted pursuant to this subsection are major~~
 13 ~~substantive routine technical rules as defined in Title 5,~~
 14 ~~chapter 375, subchapter II-A.'~~

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

18 **FISCAL NOTE**

20 Increasing the amount of penalties that the Superintendent
 21 of Insurance may assess against corporations or other entities
 22 for violations of the insurance laws or rules from \$2,000 per
 23 violation to \$10,000 per violation may increase General Fund
 24 revenues in fiscal years 2001-02 and 2002-03. The estimated
 25 increases in General Fund revenue can not be determined at this
 26 time.'

28 **SUMMARY**

30 This amendment clarifies the definition of a "consumer
 31 complaint" for the purposes of calculating complaint ratios.

32 The amendment also adds a fiscal note to the bill.