

MAINE STATE LEGISLATURE

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121st MAINE LEGISLATURE

FIRST REGULAR SESSION-2003

Legislative Document

No. 1096

S.P. 368

In Senate, March 4, 2003

An Act To Create a Timetable for Insurers To Make Restitution to Consumers

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DAMON of Hancock.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 24-A MRSA §2188** is enacted to read:

6 **§2188. Rebate payments**

8 If an insurer resolves a dispute with a client over the
10 terms of an insurance contract and that resolution results in an
12 agreement that the insurer will reimburse funds to the client,
14 the insurer shall issue the funds within 10 working days of the
16 date of the agreement. The superintendent may levy a penalty of
18 up to \$100 a day for each day over the 10-day limit an insurer
20 fails to pay a reimbursement agreed to under this section.

22 **SUMMARY**

24 This bill requires an insurer who agrees to reimburse funds
26 to a client concerning a dispute over the terms of an insurance
28 contract to issue the funds within 10 business days of the
30 agreement or be subject to a fine of \$100 a day from the
32 Superintendent of Insurance.