

MAINE STATE LEGISLATURE

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Date: 5/9/13

(Filing No. H-152)

INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 599, L.D. 848, Bill, "An Act To Clarify the Right To Name a 3rd Party To Receive Notification of Policy Cancellation"

Amend the bill by striking out the title and substituting the following:

'Resolve, Directing the Bureau of Insurance To Amend Its Rules Pertaining to 3rd-party Notice of Cancellation'

Amend the bill by striking out everything after the title and before the summary and inserting the following:

'Sec. 1. Bureau of Insurance to amend rules regarding 3rd-party notice of cancellation. Resolved: That the Department of Professional and Financial Regulation, Bureau of Insurance shall amend Bureau of Insurance Rule Chapter 580 to provide for a 3rd alternative method of satisfying 3rd-party notice requirements. This 3rd alternative must provide that when an insured pays the premium for a policy through a payroll deduction plan, any requirement for an insurer to collect 3rd-party notification information may be deferred until 60 days after the insured is no longer on the payroll plan. Rules adopted pursuant to this section are routine technical rules as defined in the Maine Revised Statutes, Title 5, chapter 375, subchapter 2-A.'

SUMMARY

This amendment replaces the bill with a resolve directing the Department of Professional and Financial Regulation, Bureau of Insurance to amend Bureau of Insurance Rule Chapter 580 regarding 3rd-party notice of cancellation to add an additional alternative for compliance with notice requirements. Under this 3rd alternative, an insurer may defer collection of 3rd-party notification information while an insured pays a premium through a payroll deduction plan.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



126th MAINE LEGISLATURE

LD 848

LR 1852(02)

An Act To Clarify the Right To Name a 3rd Party To Receive Notification of Policy Cancellation

Fiscal Note for Bill as Amended by Committee Amendment 'A' (H-152)
Committee: Insurance and Financial Services
Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - Other Special Revenue Funds

Fiscal Detail and Notes

Additional costs to the Bureau of Insurance in the Department of Professional and Financial Regulation are expected to be minor and can be absorbed within existing budgeted resources.