

MAINE STATE LEGISLATURE

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SEVENTY-EIGHTH LEGISLATURE

SENATE

NO. 216

In Senate, Feb. 22, 1917.

*Reported by Mr. Bartlett from Committee on Mercantile
Affairs and Insurance and ordered printed under joint rules.*

W. R. ROIX, Clerk.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND SEVENTEEN

AN ACT relating to insurance agents and brokers.

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

Section 1. Section 121 of Chapter 53 of the Revised
2 Statutes of 1916 is hereby amended by striking out the
3 words "he forfeits not more than fifty dollars for each
4 offense" in the thirteenth line and inserting in place thereof
5 the words "he shall be punished by a fine not exceeding two
6 hundred dollars, or imprisonment not exceeding sixty days,
7 for each offense, so that said section as amended shall read
8 as follows:

'Sect. 121. License to Agents; Agents Personally Liable
2 for Unlawful Contracts. R. S. C. 49 S. 96, 1907, C. 5. The

3 insurance commissioner may issue a license to any person to
4 act as an agent of a domestic insurance company, upon his
5 filing with the commissioner a certificate from the company
6 or association, or its authorized agent, empowering him so to
7 act; and to any resident of the state to act as an agent of any
8 foreign insurance company, which has received a license to
9 do business in the state as provided in Section one hundred
10 and five or Section one hundred and fifty upon his filing
11 such certificate. Such license shall continue until the first
12 day of the next July. If any person solicits, receives or for-
13 wards any risk or application for insurance to any company,
14 without first receiving such license, or fraudulently assumes
15 to be an agent and thus procures risks and receives money
16 for premiums, he shall be punished by a fine not exceeding
17 two hundred dollars, or imprisonment not exceeding sixty
18 days, for each offense, but any policy issued on such appli-
19 cation binds the company if otherwise valid. Agents of duly
20 authorized insurance companies may place risks with agents
21 of other duly authorized companies when necessary for the
22 adequate insurance of property, persons or interests. An
23 insurance agent shall be personally liable on all contracts of
24 insurance unlawfully made by or through him, directly or
25 indirectly, for or in behalf of any company not authorized to
26 do business in the state. Nothing herein contained shall re-
27 quire a duly licensed insurance agent or broker to obtain
28 any license for an employee doing only clerical office work in
29 the office of said agent or broker.'

Sect. 2. Section 122 of Chapter 53 of the Revised
2 Statutes of 1916 is hereby amended by striking out the word
3 “fifty” in the tenth line and inserting in place thereof the
4 words ‘two hundred’ so that said section, as amended, shall
5 read as follows:

‘Sect. 122. Commissioner may license insurance brokers;
2 penalty for acting without license; may revoke license for
3 cause or upon request of company. R. S. C. 49, S. 97. The
4 insurance commissioner may license any person as broker to
5 negotiate contracts of insurance for others than himself for
6 a compensation, by virtue of which license he may effect in-
7 surance with any domestic company or its agents; or any
8 resident of the state to negotiate such contracts and effect
9 insurance with the agents of any foreign company who have
10 been licensed to do business in this state as provided in sec-
11 tions one hundred and five and one hundred and twenty-one,
12 but with no others; said license shall remain in force one
13 year unless revoked as hereinafter provided. Whoever,
14 without such license, assumes to act as such broker, shall be
15 punished by a fine not exceeding two hundred dollars, or by
16 imprisonment not more than sixty days for each offense.
17 The insurance commissioner, after reasonable notice, may
18 revoke the license of any agent or broker for violation of the
19 insurance laws; or the license of any agent upon receipt of
20 written request therefor from the company filed in the office
21 of said commissioner.’

81 Me. 509; 88 Me. 105.