

MAINE STATE LEGISLATURE

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EIGHTY-SECOND LEGISLATURE

H. P. No. 206

H. D. No. 39

House of Representatives, Jan. 29, 1925.

Referred to Committee on Mercantile Affairs and Insurance
and 500 copies ordered printed. Sent up for Concurrence.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Drake of Bath.

STATE OF MAINE

IN THE YEAR OF OUR LORD ONE THOUSAND NINE
HUNDRED AND TWENTY-FIVE

AN ACT Relating to Annual Statements of Conditions of
Insurance Companies, and Providing a Penalty for Neglect
to File such Statements.

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

Section ninety-one of chapter fifty-three of the revised
2 statutes, as amended by chapter thirty-nine of the public
3 laws of nineteen hundred nineteen, and chapter seventy-
4 eight of the public laws of nineteen hundred twenty-three,
5 is hereby further amended by striking out the word "furn-
6 ished" in the sixth line and inserting in place thereof the
7 word 'approved,' so that said section, as amended, shall read
8 as follows:

‘Sect. 91. Every insurance company, doing business in the
2 state, shall annually, by the first day of March, render to
3 the commissioner either an exact statement, under oath, of
4 its condition as it existed on the thirty-first day of the prev-
5 ious December, or its last exhibit, setting forth its condition
6 as required by blanks approved by the commissioner, and
7 any company, association or society which neglects or re-
8 fuses to comply with the provisions of this section, or to
9 file its premium tax return, or to pay the tax for which it
10 shall be liable, as required by the laws of this state, forfeits
11 five dollars a day for each day’s neglect, provided, that for
12 good cause shown, the commissioner may extend the time
13 within which the premium tax return required by section
14 fifty-one of chapter nine of the revised statutes, may be
15 filed, to a date not later than the fifteenth day of February.’

STATEMENT OF REASONS FOR THE CHANGE

It has been the practice of the insurance department, in compliance with existing law, to "furnish" all the blanks required by insurance companies in rendering their annual statements. Some companies prefer to file printed, photographic or photostatic copies of the original statement which each is compelled to deposit with the insurance department of the state where the company is domiciled. In such cases the companies furnish the blanks in the form required and at their own expense.

1. It is apparent that the legislature intended by the use of the word "furnished" to leave the matter of form to the discretion of the insurance commissioner and that the blanks furnished by him should meet his approval.

2. The printed statement has the requirements of economy, clearness, uniformity, and is less likely to reproduce the personal errors of ordinary transcription.

3. It will make companies more careful and their statements more accurate.

4. It will reduce the expense of the state.

5. Forty-two of the forty-eight states in the Union now accept printed, photographic or photostatic copies of the original statement filed by the company with the insurance department in the state where the company was incorporated.