

MAINE STATE LEGISLATURE

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EIGHTY-THIRD LEGISLATURE

House Document

No. 352

H. P. 1072

House of Representatives, Mar. 9, 1927.

On motion of Mr. Bishop of Boothbay Harbor tabled pending reference to a committee and 1,000 copies ordered printed.

CLYDE R. CHAPMAN, Clerk.

Presented by Mr. Ingraham of Bangor.

STATE OF MAINE

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

AN ACT Relating to Insurance.

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

Section eight of chapter fifty-three of the revised statutes
2 is amended by adding at the end of said section thereof
3 the following: 'In the event that the property insured under
4 such policy is totally destroyed, however, any provisions in
5 this section or in such policy to the contrary notwithstanding
6 ing the sum insured by said policy shall be found and taken
7 to be the value of the insured's interest therein as such is
8 described in said policy unless over-insurance thereon was
9 fraudulently obtained; if such property is only partially
10 destroyed the insured shall be entitled to his actual damages
11 not exceeding the sum insured.

'Though not incorporated into the policy the foregoing provisions shall be regarded as a part thereof and the policy so construed in the determination of the amount of loss and any agreement or any rider or endorsement of these provisions shall be invalid,' so that said section, as amended, shall read as follows:

'Sect. 8. In case of loss under any fire insurance policy, issued on property in this state, in the standard form set forth in section five, and the failure of the parties to agree as to the amount of loss, if the insurance company shall not, within ten days after a written request to appoint referees under the provision for arbitration in such policy, name three men under such provision, each of whom shall be a resident of this state, and willing to act as one of such referees; or if such insurance company shall not, within ten days after receiving the names of three men named by the insured under such provision, make know to the insured its choice of one of them to act as one of such referees, it shall be deemed to have waived the right to an arbitration under such policy, and be liable to suit thereunder, as though the same contained no provision for arbitration as to the amount of loss or damage. And in case of failure of two referees, chosen, respectively by the insurance company and the insured, to agree upon and select within ten days from their appointment a third referee willing to act in said capacity, either of the parties may within twenty days from the expiration of said ten days make written application

22 setting forth the facts to the insurance commissioner to
23 appoint such third referee, and said commissioner shall
24 thereupon make such appointment and shall send written
25 notification thereof to the parties. In the event that the
26 property insured under such policy is totally destroyed, how-
27 ever, any provisions in this section or in such policy to the
28 contrary notwithstanding, the sum insured by said police
29 shall be found and taken to the value of the insured's in-
30 terest therein as such is described in said policy unless over-
31 insurance thereon was fraudulently obtained; if such prop-
32 erty is only partially destroyed, the insured shall be entitled
33 to his actual damages not exceeding the sum insured.

'Though not incorporated in the policy, the foregoing pro-
2 visions shall be regarded as a part thereof and the policy
3 so construed in the determination of the amount of loss and
4 any agreement or any rider or endorsement contrary to
5 these provisions invalid.'