

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

EIGHTY-THIRD LEGISLATURE

Senate Document

No. 216

S. P. 450

In Senate, Mar. 9, 1927.

Referred to Committee on Mercantile Affairs and Insurance and 500 copies ordered printed. Sent down for concurrence.

ROYDEN V. BROWN, Secretary.

Presented by Senator Woods of Penobscot.

STATE OF MAINE

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

AN ACT to Amend Section Eight of Chapter Fifty-three, Revised Statutes of Nineteen Hundred and Sixteen, Relating to Reference of Fire Losses.

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

Section eight of chapter fifty-three, revised statutes of 2 nineteen hundred and sixteen, is hereby amended by striking 3 out all of said section and substituting in place thereof the 4 following section:

'Sect. 8. In case of failure to agree upon the amount of 2 loss or damage to any property in this state, insured under 3 any fire policy in the standard form described in section 4 five, the insurance company shall, within ten days after 5 a written request by the insured to appoint referees under

6 the provision for arbitration in such policy, name three men,
7 none of whom shall, without written consent of the insured,
8 have served in the same capacity for such company within
9 four months, each of whom shall be a resident of the county
10 where such loss occurs and willing to serve as such referee,
11 and all of whom shall, in the case of loss of buildings, be
12 contractors or mechanics engaged in the construction or
13 replacement of buildings and shall, in all other cases, be
14 dealers conversant with market values for the merchandise
15 or materials destroyed; the insured shall, within ten days
16 after receipt of the names proposed by the insurance com-
17 pany, notify the company of his choice of one of them to
18 act as one of such referees; and the company shall, within
19 ten days after receipt of the names of three men proposed
20 by the insured, notify the insured of its choice of one of
21 them to act as one of such referees.

'If such company shall not, within ten days after receiving
2 the names of the three men named by the insured under
3 such provision, notify the insured of its choice of one of
4 them to act as one of such referees, it shall be deemed to
5 have waived the right to an arbitration under such policy
6 and be liable to suit thereunder, as though the same con-
7 tained no provision for arbitration as to the amount of loss
8 or damage.

'Within ten days after their selection, the two referees
2 chosen as herein provided shall, if possible, determine with-
3 out hearing the amount of loss by mutual agreement, and

4 in case of their failure to agree upon the amount of the
5 loss or upon a third referee willing to act in said capacity,
6 either of the parties may, within twenty days from expira-
7 tion of said ten days, make written application, setting forth
8 the facts, to the insurance commissioner to appoint such
9 third referee, and said commissioner shall thereupon make
10 such appointment and shall send written notification thereof
11 to the parties.

‘A mutual award in writing signed by two referees in the
2 first instance, or an award in writing signed by a majority
3 of the referees in the second instance shall be final and
4 conclusive on the parties as to the amount of the loss.

‘In every case of appointment of such third referee by the
2 commissioner, the insurance companies shall withhold from
3 the amount of the award rendered one-half of the com-
4 pensation and expenses of said referee, and said companies
5 shall thereupon pay to said referee the full amount of his
6 compensation and expenses.’