

MAINE STATE LEGISLATURE

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N I N E T Y - S E V E N T H L E G I S L A T U R E

Legislative Document

No. 1307

S. P. 463

In Senate, March 16, 1955.

Referred to Committee on Business Legislation. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary.

Presented by Senator Chapman of Cumberland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-FIVE

**AN ACT Relating to Purposes of Companies Organized Under General
Insurance Law.**

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

Sec. 1. R. S., c. 60, § 22, amended. Section 22 of chapter 60 of the revised statutes is hereby amended to read as follows:

‘Sec. 22. Deposit by life, accident or health stock companies. Every stock insurance company incorporated in the State for the purpose of writing life, accident or health insurance shall make and maintain a deposit, with the Treasurer of State, of securities to the market value of at least ~~\$100,000~~ **\$200,000**, to be held in trust for the benefit of all the policyholders in said company before it shall have the right to transact any business. The Treasurer of State shall receive such stocks or other securities and hold the same on deposit and in trust for the benefit of all the policyholders in said company.’

Sec. 2. R. S., c. 60, § 30, sub-§ XVII, additional. Section 30 of chapter 60 of the revised statutes is hereby amended by adding thereto a new subsection to be numbered XVII, to read as follows:

‘XVII. To carry on the business commonly known as life insurance, including entering into endowment and annuity contracts.’

Sec. 3. R. S., c. 60, § 35, amended. The 2nd sentence of section 35 of chapter 60 of the revised statutes is hereby amended to read as follows:

‘The capital stock of a stock company organized for any of the purposes hereinbefore mentioned shall not be less than \$100,000, **except that the capital stock**

of any company organized for the purposes set forth in subsection IV or XVII of section 30 shall not be less than \$200,000; a mutual company incorporated to transact any class or kind of insurance other than fire, marine or glass shall have a guaranty capital as provided in section 36 and holders of certificates of such guaranty capital shall not receive dividends in excess of 7% in any one year, and in no case unless such dividends are properly earned after determining all liability as required by the Commissioner.'

Sec. 4. R. S., c. 60, § 47, amended. The 4th sentence of section 47 of chapter 60 of the revised statutes is hereby amended to read as follows:

'No ~~life, casualty, accident, health,~~ liability, plate glass, steam boiler or fly wheel, burglary and theft or sprinkler insurance company shall be admitted to do business in the State unless it has a bona fide, paid-up, unimpaired capital, if a stock company, of at least \$100,000, well invested in or secured by real estate, bonds, stocks or securities other than names alone **and no stock life or accident and health insurance company shall be so admitted unless it has at least \$200,000 of such capital so invested**; or if a mutual company, net cash assets to the amount aforesaid.'