

MAINE STATE LEGISLATURE

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NINETY - EIGHTH LEGISLATURE

Legislative Document

No. 934

H. P. 653

House of Representatives, February 21, 1957.

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

HARVEY R. PEASE, Clerk

Presented by Mr. Stanley of Bangor.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FIFTY-SEVEN

AN ACT Relating to Group Life Insurance for Certain Municipal Employee Associations.

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

R. S., c. 60, § 164, sub-§ VI, additional. Section 164 of chapter 60 of the Revised Statutes, as amended by sections 1 and 2 of chapter 228 and by chapter 97, both of the public laws of 1955, is hereby further amended by adding thereto a new subsection VI, to read as follows:

‘VI. A policy issued to an incorporated or unincorporated association of municipal employees, which association is organized and maintained in good faith for the purposes other than that of obtaining insurance and has been so organized and maintained for a period of 2 years prior to the issuance of such policy or contract, which shall be deemed the policyholder to insure members of such association for the benefit of persons other than the association or any of its officials, representatives or agents, subject to the following requirements:

A. The members eligible for insurance shall be all of the members of the association, or all of any class or classes thereof determined by conditions pertaining to membership in the association, or both.

B. The premium for the policy shall be paid by the policyholder wholly from the association's funds. No policy may be issued which does not insure all of the eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.

C. The policy must cover at least 10 members at date of issue.

D. The amounts of insurance under the policy must be based upon some plan precluding individual selection either by the members or the association.

E. The policy must provide for a reduction of coverage of a member after his retirement from active service with a municipality.'