

# MAINE STATE LEGISLATURE

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Legislative Document

No. 1444

H. P. 1014

House of Representatives, March 28, 1957

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

HARVEY R. PEASE, Clerk

Presented by Mr. Wade of Auburn.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-SEVEN

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**AN ACT Relating to Licensing of Special Insurance Brokers.**

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

**R. S., c. 60, § 294, amended.** Section 294 of chapter 60 of the Revised Statutes is hereby amended to read as follows:

**Sec. 294. Licenses to special insurance brokers; conditions upon which insurance procured; licensee to keep account of business done and report; bond.** The Commissioner may annually issue licenses, subject to revocation at any time, to citizens of this State already agents of one or more duly authorized fire insurance companies, permitting the person named therein to procure policies of insurance on fire, inland and ocean marine and ~~or~~ casualty insurance risks and fidelity and surety coverages in this State in foreign insurance companies not authorized to transact business in this State **when necessary for the protection of persons, property or interests; provided such insurance coverage is not available in companies authorized to do business in this State.** The person named in such a license shall in each case make application to the Commissioner setting forth his reasons for desiring to insure the particular risk with companies not authorized in this State, and said Commissioner shall, if he deems it advisable, grant permission to procure such insurance. He shall give notice to the Commissioner not later than 5 days after the risk is insured, giving the name of the owner, location of the property and name of the company or companies issuing policies thereon, **and such other information as the Commissioner may require.** In case the Commissioner finds that any company named by a special broker under the provisions of this section is not financially sound and is not believed to be a responsible and reliable company, he shall so notify the special broker who shall

forthwith substitute another company, submitting the name of the substitute company to the Commissioner for approval. Each person so licensed shall keep a separate account of the business done under the license which shall be open to the inspection of the Commissioner or his representative. He shall monthly file with the Commissioner a statement showing the amount of insurance placed for any person, firm or corporation, the location of each risk, the gross premium charged thereon, the companies in which the insurance is placed, the date of the policies and the term thereof and such further information as the Commissioner may require. He shall also report in the same detail all policies canceled during the month covered by the report showing the return premiums thereon. Before receiving such license he shall execute and deliver to the Treasurer of State a bond in the penal sum of \$1,000, with such sureties as the Commissioner shall approve, with a condition that the licensee will faithfully comply with all the requirements of this section and will file with the Treasurer of State, in January of each year, a sworn statement of the gross premiums charged for insurance procured or placed and the gross returned premiums on such insurance canceled under such license during the year ending on the 31st day of December next preceding, and at the time of filing such statement will pay into the Treasury of State a sum equal to 2% of such gross premiums, less such returned premiums as are reported.'