

# MAINE STATE LEGISLATURE

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

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Legislative Document

No. 731

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S. P. 269

In Senate, February 17, 1959.

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

CHESTER T. WINSLOW, Secretary

Presented by Senator Weeks of Cumberland.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-NINE

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AN ACT Authorizing the Issuance of Group Life Insurance on Dependents.

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

**R. S., c. 60, § 164-A, additional.** Chapter 60 of the Revised Statutes is amended by adding a new section to be numbered 164-A, to read as follows:

**‘Sec. 164-A. Extension of group life insurance to spouse and children of insured employee or member; benefits and limitations.** Any group life insurance policy issued pursuant to section 164, subsections I, III, IV, V and VI may be extended to insure the spouses and minor children of employees or members insured thereunder, or any class or classes thereof, and the insurance so provided on such spouses and children, hereinafter in this section referred to as “dependents group life insurance,” shall be subject to the following limitations and requirements:

I. The premium for such dependents group life insurance shall be paid by the policyholder, either from funds of the employer, union or association, or from funds contributed by the insured employees or members, or from both. If any part of the premium is to be derived from funds contributed by insured employees or members, the dependents group life insurance may be placed in force only if at least 75% of the then insured employees or members elect to make the required contributions. If no part of the premium is to be derived from funds contributed by such insured employees or members, such dependents group life insurance shall be made available with respect to all insured employees or members.

II. The amounts of insurance shall be based upon some plan precluding individual selection either by the employees, including members, where ap-

appropriate, or by the policyholder, including trustees, employers, unions and associations, and the amount of dependents group life insurance in force on any spouse or any minor child shall at no time exceed the lesser or 50% of the group life insurance in force under the policy on the life of the employee or member insured with respect to such spouse or child, or \$2,000. In the case of a minor child whose age at death is under 6 months, the amount shall not be in excess of \$100.

III. The dependents group life insurance provided in accordance with this section shall terminate upon termination of the group life insurance of the employee or member with respect to whom such dependents group life insurance is in effect, including termination by reason of such employee's or member's termination of employment, termination of membership in the class or classes eligible for coverage under the policy, or death. Upon such termination the spouse shall be entitled to have issued by the insured, without evidence of insurability, an individual policy of life insurance without disability or other supplementary benefits, if application therefor and payment of the first premium to the insurer for such individual policy shall be made within 31 days following such termination, subject to the requirements of section 165, subsection III, paragraph H. If the group policy terminates or is amended so as to terminate the insurance of any class of employees or members, and the employee or member is entitled to have issued to him upon such termination an individual policy under section 165, subsection III, paragraph I, the spouse shall also be entitled to have issued by the insurer an individual policy, subject to the conditions and limitations provided above. If the spouse dies within the period during which he or she would have been entitled to have had an individual policy issued, as herein provided, the amount of life insurance which such spouse would have been entitled to under such individual policy, if issued, shall be payable as a claim under the group policy, regardless of whether or not application for the individual policy or payment of the first premium therefor has been made.

IV. The premiums for the dependents group life insurance under any group insurance policy shall be a part of the basic policy premium for group life insurance under said policy, and shall be subject to the provisions of sections 165-A.

V. Notwithstanding the provisions of section 165, subsection III, paragraph G, no evidence of insurance need be issued for delivery to any spouse or minor child insured under said dependents group life insurance, if a certificate of insurance is issued for delivery to the employee or member insured with respect to such spouse or child, and such certificate contains a statement describing such dependents group life insurance.'