

# MAINE STATE LEGISLATURE

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# ACTS AND RESOLVES

OF THE

## SIXTY-SEVENTH LEGISLATURE

OF THE

## STATE OF MAINE

1895.

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Published by the Secretary of State, agreeably to Resolves of June 28, 1820,  
February 18, 1840, and March 16, 1842.

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AUGUSTA:  
BURLEIGH & FLYNT, PRINTERS TO THE STATE.  
1895.

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PUBLIC LAWS  
OF THE  
STATE OF MAINE.

1895.

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fully sealed and a label placed on each, stating the name or brand of the fertilizer or material sampled, the name of the party from whose stock the sample was drawn and the time and place of drawing, and said label shall also be signed by the director or his deputy, and by the party or parties in interest or their representative at the drawing and sealing of said samples; one of said duplicate samples shall be retained by the director and the other by the party whose stock was sampled; and the sample or samples retained by the director shall be for comparison with the certified statement named in section two of this act. The result of analysis of the sample or samples so procured shall be published in a report or bulletin within reasonable time.'

—result shall be published.

Approved March 14, 1895.

## Chapter 95.

An Act to amend sections one, twenty-six, thirty-eight, forty-one, sixty-four, seventy-two, seventy-three, seventy-four, eighty-eight and eighty-nine, of chapter forty-nine of the Revised Statutes, relating to Insurance.

*Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows:*

SECT. 1. Sections one, twenty-six, thirty-eight, forty-one, sixty-four, seventy-two, seventy-three, seventy-four, eighty-eight and eighty-nine, of chapter forty-nine of the revised statutes, relating to insurance, are hereby amended, so that said sections as amended, shall read as follows:

Secs. 1, 26, 38, 41, 64, 72, 73, 74, 88 and 89, ch. 49, R. S., amended.

‘SECT. 1. A contract of insurance, life excepted, is an agreement by which one party for a consideration promises to pay money or its equivalent, or to do some act of value to the assured upon the destruction or injury of something in which the other party has an interest. And the business involving the issuance of such contracts in this state shall be carried on only by duly incorporated insurance companies. All incorporated insurance companies may exercise the powers and are subject to the duties and liabilities contained herein and in chapter forty-six, so far as consistent with their charters. Associations of individuals now formed or which may hereafter be formed, upon which the plan known as Lloyd’s, for the purpose of transacting marine insurance busi-

Contract of insurance, defined.

—how business of insurance shall be carried on.

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ness, may exercise all rights, powers and privileges granted under the laws of this state.

Assessments on premium notes.

‘SECT. 26. The insured, before receiving his policy, shall deposit his note for the sum determined by the directors, which shall not be less than five per cent of the amount insured, and such part of it as the by-laws require, shall be immediately paid and endorsed thereon; and the remainder in such installments, as the directors from time to time require for the payment of losses and other expenses, to be assessed on all who are members when such losses or expenses happen, in proportion to the amounts of their notes. Provided, that a mutual company which collects a cash premium of not less than the tariff rate charged by stock companies may take a premium note for an equal amount and such companies shall maintain a premium reserve equal to fifty per cent of the cash premium on its policies in force. A married woman may insure her property and give her note, with or without her husband, and it shall be as valid against her as if she were unmarried. No domestic mutual insurance company shall insure in one risk an amount exceeding twenty-five per cent of its gross assets, including the amount at any time due on its premium notes.

—premium reserve.

—married woman's note, valid.

Insurance companies, how established.

‘SECT. 38. Any ten or more persons, residents of the state, associated by such an agreement in writing as is hereinafter described, with the intention of constituting a corporation for the transaction of insurance business shall, upon complying with section forty-six, become and remain a corporation with all the powers, rights and privileges and be subject to all the duties, liabilities and restrictions set forth in all the general laws relating to insurance corporations. Corporations may be organized as herein provided, upon the stock or mutual principle for the following purposes:

—rights and privileges.

—may be organized on stock, or mutual principles.

—to insure property on land, against loss by fire, etc.

—vessels and other property, against perils of the sea, etc.

I. To insure against loss or damage to property by fire, lightning or tempest on land.

II. To insure vessels, freights, goods, money, effects, and money lent on bottomry or respondentia, against the perils of the sea and other perils usually insured against by marine insurance companies, including risks of inland navigation and transportation.

—plate glass.

III. To insure against breakage or damage to plate glass, local or in transit.

Corporations may also be organized as herein provided, upon the stock principle, only, for the following purposes :

IV. To insure against loss or damage to property of the assured, or loss or damage to the life, person, or property of another for which the assured is liable, caused by the explosion of steam boilers.

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May be organized on stock principle.

—to insure property and life, against loss caused by explosion of steam boilers.

V. To insure any person against bodily injury or death by accident, or any person, firm or corporation against loss or damage on account of the bodily injury or death by accident of any person from which loss or damage said person, firm or corporation is responsible.

—to insure against accidents.

VI. To insure the owners of domestic animals against loss resulting from the death of or injury to the animals insured.

—to insure domestic animals.

‘SECT. 41. No policy shall be issued by a purely mutual company until applications have been made in good faith, for insurance to the amount of fifty thousand dollars, and no policy shall be issued by a stock company until its capital stock has been paid in, in cash, and invested as provided in section eight.

New companies, when to issue policies.

‘SECT. 64. An insurance commissioner, whose office shall be at the state capitol, shall be appointed by the governor and council, and shall hold his office for three years unless sooner removed, but shall not at the same time be examiner of banks. He may administer oaths in the performance of his official duties, in any part of the state and at any time. He shall keep a correct account of all of his doings, and of all fees and moneys received by him by virtue of his office, pay over the same to the treasurer of the state quarterly, and at the same time settle his account with the governor and council. He shall give bond to the treasurer, in the sum of five thousand dollars, for the faithful discharge of his duties. He may with the approval of the governor and council, appoint and with their consent remove, a deputy commissioner who by virtue of such appointment, shall be and perform the duties of chief clerk of the department and who shall receive an annual salary of one thousand dollars. In the event of a vacancy in the office of commissioner or during the absence or disability of that officer, the deputy commissioner shall perform the duties of the office.

Commissioners, appointment, term, and duties of.

‘SECT. 72. No foreign insurance company shall transact any insurance business in this state, unless it first obtains a

No foreign insurance company shall

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do business in the state without obtaining license.

—but shall furnish copy of charter and by-laws.

—statement showing financial condition.

—power of attorney, to insurance commissioner to act for such company.

—license may be renewed annually.

—fees of commissioner.

License may be issued to agent, upon filing certificate of authority to act as such.

license from the commissioner. Before receiving such license, it shall furnish the commissioner with,

I. A certified copy of its charter and by-laws.

II. A statement, under oath, signed by its president or secretary, showing its financial condition according to a form supplied by the commissioner.

III. A power of attorney appointing the insurance commissioner of Maine, to be the true and lawful attorney of such company in and for this state, upon whom all lawful process in an action or proceeding against the company may be served with the same effect as if the company existed in this state. Said power of attorney shall stipulate and agree on the part of the company, that any lawful process against the company which is served on said attorney shall be the same in legal force and validity as if served on the company, and that the authority shall continue in force irrevocable so long as any liability remains outstanding against the company in this state. A certificate of such appointment, duly certified and authenticated shall be filed in the office of said commissioner and copies certified by him shall be received in evidence in all courts of this state. Upon receiving the papers herein enumerated the commissioner may, if he deems it advisable, grant a license authorizing the company to do insurance business in this state by constituted agents resident therein subject to its laws, until the first day of the next July, and annually thereafter such license may be renewed so long as he regards the company as responsible and safe, but in all cases to terminate on the first day of the succeeding July. For such license and each renewal the company shall pay the commissioner twenty dollars. Every foreign insurance company now transacting business in this state shall within thirty days from the approval of this act file with the insurance commissioner a power of attorney similar to that herein described.

‘SECT. 73. The commissioner may issue a license to any person to act as an agent of a domestic insurance company upon his filing with the commissioner a certificate from the company or its authorized agent empowering him so to act; and to any resident of the state to act as an agent of any foreign insurance company which has received a license to do business in this state as provided in section seventy-two, upon

his filing such certificate; and such license shall continue until the first day of the next July. For each such license the commissioner shall receive two dollars, and if any person solicits, receives, or forwards any risk or application for insurance to any company, without first receiving such license, or fraudulently assumes to be an agent and thus procures risks and receives money for premiums, he forfeits not more than fifty dollars for each offense; but any policy issued on such application binds the company if otherwise valid. Agents of duly authorized insurance companies may place risks with agents of other duly authorized companies when necessary for the adequate insurance of property, persons or interests. An insurance agent shall be personally liable on all contracts of insurance unlawfully made by or through him, directly or indirectly, for or in behalf of any company not authorized to do business in the state. Nothing herein contained shall require a duly licensed insurance agent or broker to obtain any license for an employe doing only clerical office work in the office of said agent or broker.

‘SECT. 74. The commissioner may license any person as broker to negotiate contracts of insurance for others than himself for a compensation, by virtue of which license he may effect insurance with any domestic company or its agents; or any resident of the state to negotiate such contracts and effect insurance with the agents of any foreign company who have been licensed to do business in this state, as provided in sections seventy-two and seventy-three but with no others. For such license he shall pay five dollars, authorizing him to act until the first day of the next July. Whoever, without such license, assumes to act as such broker, forfeits not more than fifty dollars, or by imprisonment not more than sixty days for each offense. The insurance commissioner may revoke or suspend the license of any agent or broker at any time by giving such agent or broker written notice thereof. When the commissioner revokes the license of any insurance agent or broker, such agent or broker may appeal to a justice of the supreme judicial court, by presenting to him a petition therefor, in term time or vacation, and such justice shall fix a time and place of hearing which may be at chambers and in vacation, and cause notice thereof to be

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—fees of commissioner.

—policy issued without license, valid.

—agent personally liable for unlawful contracts.

Commissioner may license insurance brokers.

—fees.

—penalty for acting without license.

—may revoke license.

—agent may appeal to S. J. court.



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License of any foreign insurance Co. may be revoked.

Commissioner may issue license to agent of life, casualty, or steam boiler insurance company.

Foreign insurance companies, life excepted, to publish annual statement of condition.

—penalty.

Suits against foreign insurance companies, when to be brought.

Service, how made.

—judgment binds company.

Company suspended, unless judgment is paid within thirty days.

When process is served, commissioner shall notify company.

given to the commissioner; and after the hearing he may confirm or reverse the decision of the commissioner; and the decision of such justice is final. The commissioner shall have power to revoke the license of any foreign insurance company authorized to do business in this state that shall neglect or refuse to comply with the laws thereof, or that shall violate any of the provisions of sections seventy-two and seventy-three of chapter forty-nine of the revised statutes as hereby amended. The commissioner may issue a license to any person to act as an agent of any assessment life or casualty insurance company or association, or steam boiler insurance company authorized to do business in the state, upon his filing with the commissioner a certificate of his appointment as such agent and upon payment of the fee provided in this act.

‘SECT. 88. Every foreign insurance company, life excepted, doing business in this state, shall annually, before the first day of May, publish three weeks successively, in some daily or weekly paper printed in every county where it has a duly authorized agent, or issues policies, a condensed statement of its condition conformable to its last annual report to the commissioner, and any such insurance company which neglects or refuses to publish such statement, forfeits not less than fifty dollars.

‘SECT. 89. Any person having a claim against any foreign insurance company, may bring a trustee action or any other appropriate suit therefor in the courts of this state. Service made upon the insurance commissioner or upon any duly appointed agent of the company within the state shall be deemed sufficient service upon the company, and the judgment rendered therein shall bind the company as valid in every respect, whether the defendants appear or not. Unless such judgment is paid within thirty days after demand, the commissioner may on notice and hearing of the parties, suspend the power of the company to do business in this state until it is paid, and if the company or any agent thereof issues any policy in the state during such suspension, said company and agent each forfeits not exceeding one hundred dollars; but any policy so issued is binding on the company in favor of the holder. Whenever lawful process against an insurance company shall be served on the insurance commissioner, he shall forthwith notify the company of such service

by letter and within a reasonable time forward a copy of the process served on him, by mail, postpaid, and directed to the officers of the company. For each copy of process the insurance commissioner shall collect the sum of two dollars, which shall be paid by the plaintiff at the time of the service, the same to be recovered by him as part of the taxable costs if he prevails in the suit.'

—fees for copy.

SECT. 2. The provisions of this act shall not be held to be applicable to fraternal beneficiary organizations doing business under chapter two hundred and thirty-four of the public laws of eighteen hundred eighty-nine, as amended.

Act not applicable to fraternal beneficiary organizations.

Approved March 14, 1895.

## Chapter 96.

An Act to amend chapter one hundred and forty-six of the Public Laws of eighteen hundred and ninety-three, relating to the Taxation of Collateral Inheritances.

*Be it enacted by the Senate and House of Representatives in Legislature assembled, as follows :*

SECT. 1. Section one of chapter one hundred and forty-six of the public laws of eighteen hundred and ninety-three, is hereby amended by inserting after the word "decedent" and before the word "shall" in the eleventh line of said section, the following 'or any educational, charitable or benevolent institution in this state,' so that said section as amended, shall read as follows :

Sec. 1, ch. 146, Public Laws of 1893, amended.

'SECT. 1. All property within the jurisdiction of this state, and any interest therein, whether belonging to inhabitants of this state or not, and whether tangible or intangible, which shall pass by will or by the intestate laws of this state, or by deed, grant, sale or gift made or intended to take effect in possession or enjoyment after the death of the grantor, to any person in trust or otherwise, other than to or for the use of the father, mother, husband, wife, lineal descendant, adopted child, the lineal descendant of any adopted child, the wife or widow of a son or the husband of the daughter of a decedent, or any educational, charitable or benevolent institution in this state, shall be liable to a tax of two and a half per cent of its value, above the sum of five hundred dollars, for the use of the state, and all administrators, executors and trustees, and any

All property which shall pass by will or otherwise, to any person, for enjoyment after death of grantor, other than use of legal heirs, etc., of grantor, shall be subject to a tax for use of the state.