

MAINE STATE LEGISLATURE

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ACTS AND RESOLVES

OF THE

SEVENTY-SIXTH LEGISLATURE

OF THE

STATE OF MAINE

1913

Including Acts and Resolves of the Special Session held
in 1912.

Published by the Secretary of State, agreeably to Resolves of
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PUBLIC LAWS

OF THE

STATE OF MAINE

As Passed by the Seventy-Sixth
Legislature

1913

CHAP. 134

Chapter 134.

An Act to Prevent the Use of the Name of the State by Private or Semi-public Corporations or Associations.

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

Charitable institutions shall not use name of the state in title.

Section 1. No charitable institution or association of a private or of a semi-public nature, incorporated by special act of the legislature or in conformity with section one of chapter fifty-seven of the revised statutes, formed or incorporated after this act becomes effective, shall use the name of the state in its title.

Penalty for violation of this act.

Section 2. Any institution or association that violates the provisions of this act shall, upon notice and complaint by any person to the governor and council, and after hearing had by that body, be held to have forfeited the right to any appropriation from the state.

Approved March 31, 1913.

Chapter 135.

An Act Relating to Inter-insurers and Authorizing the Business Transacted Thereby.

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

Making contracts of indemnity between individuals not insurance.

Section 1. The making of contracts between individuals, firms or corporations, providing indemnity among each other from casualty or other contingencies or from loss or damage to their own property, shall not constitute the business of insurance and shall not be subject to the laws of this state relating to insurance, except as herein provided, but where such contracts are exchanged through an attorney, agent or other representative acting for such individuals, firms or corporations, the said attorney, agent or other representative shall file with the insurance commissioner of this state a declaration in writing, verified by the oath of such attorney, agent or other representative, setting forth:

—attorneys, or agents shall make oath to and file a declaration.

—name of attorney.

(a) The name of the attorney, agent or other representative through whom such contracts are exchanged.

—copy of form of policy.

(b) A copy of the form of policy, contract or agreement under which such insurance is to be exchanged.

—copy of form of power of attorney.

(c) A copy of the form of power of attorney or other authority of such attorney, agent or other representative under which such contracts are to be exchanged.

—location of office.

(d) The location of the office or offices from which such contracts or agreements are to be issued.

(e) That applications have been made for indemnity upon at least one hundred separate risks as represented by bona fide applications to become concurrently effective, and that there is on deposit with such attorney, or properly constituted trustees a sum in cash or convertible securities sufficient to pay at least one total loss equal to the maximum line or any one risk.

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—that applications have been made for at least one hundred risks, etc.

Section 2. Concurrently with the filing of the declaration provided for by the terms of section one hereof, the attorney shall file with the insurance commissioner an instrument in writing, executed by him for said subscribers, conditioned that upon the issuance of the certificate of authority provided for in section nine hereof, in all suits in this state arising out of such policies, contracts or agreements, action may be brought in the county or state in which the property insured is situated, service of process may be had on the insurance commissioner, which service shall be valid and binding upon all subscribers exchanging at any time reciprocal or inter-insurance contracts through such attorney. Three copies of such process shall be served and the insurance commissioner shall file one copy, forward one copy to said attorney and return one copy with his admission of service. Said attorney, agent or other representative is hereby authorized to file the above mentioned instrument appointing the insurance commissioner of this state to receive service of process, which instrument shall be binding upon all of the subscribers.

Suits in action, how and where to be brought.

Section 3. There shall be filed with the insurance commissioner of this state by such attorney, agent or other representative, a statement under oath of such attorney, agent or other representative, showing the maximum amount of indemnity upon any single risk, and such attorney, agent or other representative, whenever and as often as shall be required, shall file with the insurance commissioner a statement verified by his oath to the effect that he has examined the commercial rating of all subscribers to the power of attorney above referred to, as shown by the reference book of a commercial agency having at least one hundred thousand subscribers, and that from such examination or other information in his possession, it appears that no subscriber has assumed on any single risk an amount greater than ten per centum of the net worth of said subscriber.

—insurance com'r. may be authorized to receive service of process.

No subscriber shall assume more than ten per cent of his net worth.

Section 4. There shall, at all times, be maintained as a reserve a sum in cash or convertible securities or in bona fide agreements to pay, sufficient to pay at least one total loss equal to the maximum line on any one risk.

Reserve sum.

Section 5. Such attorney, agent or other representative shall

Attorney shall make report to the insurance com'r.

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- proviso.

—books and records shall be open to inspection.

Corporations may exchange contracts.

—exchange of contracts incidental to purposes.

Penalty for violation of this act.

Each attorney, agent, etc., shall secure annual certificate.

—fee for certificate.

make a report to the insurance commissioner for the calendar year on or before the thirty-first day of January showing the financial condition of affairs at the office where such contracts are issued, and shall furnish such additional information and reports as he may require, provided, however, that such attorney shall not be required to furnish the names and addresses of any subscribers. The books, records, assets and affairs of the subscribers at the office of the attorney shall be subject to examination by the insurance commissioner or his authorized representative and reasonable expense incurred in making such examination shall be borne by said subscribers.

Section 6. Any corporation, now or hereafter organized under the laws of this state, shall in addition to the rights, powers and franchises specified in its articles of incorporation, have full power and authority to exchange contracts of the kind and character herein mentioned. The right to exchange such contracts is hereby declared to be incidental to the purposes for which such corporations are organized and as much granted as the rights and powers expressly conferred.

Section 7. Any attorney, agent or other representative who shall, except for the purposes of applying for the certificate of authority as herein provided, exchange any contracts of indemnity of the kind and character specified in this act or directly or indirectly solicit or negotiate any applications for the same without first complying with the foregoing provisions, or in case of an employee of said attorney, agent or other representative unless his principal shall have first complied with the foregoing provisions, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subjected to a fine of not less than one hundred dollars and not more than one thousand dollars.

Section 8. Each attorney, agent or other representative by or through whom are issued any policies of or contracts for indemnity of the character referred to in this act shall procure from the insurance commissioner annually a certificate of authority stating that all the requirements of this act have been complied with, and upon such compliance and the payment of the fees required by this act the insurance commissioner shall issue such certificate authorizing such attorney, agent or representative to do business in this state, subject to the provisions of this act, until the first day of next July and such certificate may be renewed annually thereafter. The fee for such certificate and for each renewal thereof shall be twenty dollars. In case of a breach of any of the conditions imposed by the provisions of this act, the insurance commissioner may revoke the

certificate of authority issued hereunder.

Section 9. Such attorney, agent or other representative, in lieu of all other taxation, state, county or municipal, in this state, shall annually pay a tax at the rate of two per centum on gross premiums or deposits actually received during the year after deducting amounts actually returned to policyholders as the unused part of such premium or deposit, or such part as may be credited on the renewal or extension of the indemnity. Such attorney, agent or other representative shall, on or before the thirty-first day of each January, make a return, under oath, to the insurance commissioner showing the gross premiums or deposits actually received during the preceding calendar year and such unused part of such premium or deposit as has been returned to policyholders or credited on renewal or extension of the indemnity. Said tax shall be assessed by the board of state assessors, upon the certificate of the insurance commissioner, to be seasonably furnished therefor, and certified to the treasurer of state on or before the first day of April and the same shall be paid on or before the first day of May following. The treasurer shall notify the attorney, agent or other representative of the assessment and unless same is paid as aforesaid, the insurance commissioner shall suspend the right of such attorney, agent or other representative to do any further business in this state until the tax is paid.

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Tax on gross premiums or deposits.

—return of gross premiums, etc.

—tax, by whom assessed.

—proceedings if tax is not paid.

Approved March 31, 1913.

Chapter 136.

An Act to Amend Section Four of Chapter Fifty-four of the Revised Statutes, Relating to the Inspection of Power Boats and Vessels Engaged in Transporting Passengers for Hire on Inland Waters.

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

Section 1. Section four of chapter fifty-four of the revised statutes is hereby amended by adding at the end thereof the words 'and all boats and vessels, propelled by gasoline, gas, petroleum in any form, or electricity, and used for the transporting and carrying of passengers for hire upon the inland waters of the state, shall be subject to the provisions of this and the ten sections immediately following, excepting six and nine, and the application of said sections six and nine to this class of boats and vessels, shall be left to the discretion of the inspectors of steamboats, who may, if they deem it advisable, cause compliance with the same,' so that said section as amended shall read as follows:

Section 4 of chap. 54, R. S., amended.