

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE  
ONE HUNDRED AND ELEVENTH LEGISLATURE

**SECOND SPECIAL SESSION**

November 18, 1983

AND AT THE

**SECOND REGULAR SESSION**

January 4, 1984 to April 25, 1984

AND AT THE

**THIRD SPECIAL SESSION**

September 4, 1984 to September 11, 1984

PUBLISHED BY THE DIRECTOR OF LEGISLATIVE RESEARCH  
IN ACCORDANCE WITH MAINE REVISED STATUTES  
ANNOTATED, TITLE 3, SECTION 164, SUBSECTION 6.

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J.S. McCarthy Co., Inc.  
Augusta, Maine  
1986

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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED AT THE  
SECOND REGULAR SESSION  
of the  
ONE HUNDRED AND ELEVENTH LEGISLATURE  
JANUARY 4, 1984 TO APRIL 25, 1984

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conditional license or approval shall be void when the department has delivered in hand or by certified mail a written notice to the licensee or, if the licensee cannot be reached for service in hand or by certified mail, has left written notice thereof at the agency or facility. For the purposes of this subsection the term "licensee" means the person, firm, corporation or association to whom a conditional license or approval has been issued.

C. Whenever, upon investigation, conditions are found which, in the opinion of the department, immediately endanger the health or safety of persons living in or attending a facility, the department may request the Administrative Court for an emergency suspension pursuant to Title 4, section 1153.

D. Any license or approval issued under this subtitle may be suspended or revoked for violation of applicable law and rules, committing, permitting, aiding or abetting any illegal practices in the operation of the facility or conduct or practices detrimental to the welfare of persons living in or attending the facility.

When the department believes that a license or approval should be suspended or revoked, it shall file a complaint with the Administrative Court as provided in the Maine Administrative Procedure Act, Title 5, chapter 375.

Sec. 4. 22 MRSA §7802, sub-§5, ¶E, as enacted by PL 1983, c. 386, §2, is amended to read:

E. Refuse to issue a provisional license or approval.

Effective July 25, 1984.

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## CHAPTER 603

H.P. 1445 - L.D. 1897

AN ACT to Clarify Executive and  
Judicial Authority Regarding the  
Dissolution of Delinquent Insurers.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the dissolution of the corporate existence of delinquent insurers which have been or are to be liquidated and the prompt turnover to the Treasurer of State of abandoned property held or arising in the course of such liquidations are essential to the public peace, health and safety; and

Whereas, there are currently pending certain delinquency and receivership proceedings pursuant to the Maine Insurance Code in which the Superintendent of Insurance, as statutory receiver of a domestic insurer, has custody of unclaimed funds in excess of \$100,000, all of which is or is to become "abandoned property" payable to the Treasurer of State pursuant to the Maine Abandoned Property Law, Title 33, chapter 27; and

Whereas, the most expeditious transfer of this abandoned property will be possible under Title 33, section 1309 of the Abandoned Property Law, which permits the immediate turnover of abandoned property to the Treasurer of State upon the entering of a decree of dissolution and thus eliminates the substantial holding periods otherwise imposed under the law; and

Whereas, the benefits of Title 33, section 1309 of the Abandoned Property Law are not available unless such decree of dissolution is entered; and

Whereas, transfer of such abandoned property to the Treasurer of State and a winding up of such receivership proceedings is currently being delayed by the lack of clarity in the provisions of the Insurance Code relating to delinquent insurers under liquidation; and

Whereas, it is essential that these provisions of the Insurance Code be clarified to make explicit the authority of the Superior Court, upon motion of the superintendent, to enter a decree of dissolution in order to facilitate the immediate transfer of this substantial amount of abandoned property to the State Treasury and to eliminate further delay in the administration and winding up of that receivership; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 24-A MRSA §4362-A is enacted to read:

§4362-A. Dissolution of domestic insurer

The superintendent, upon application for an order of liquidation of a domestic insurer for any of the reasons specified in section 4357 or at any time thereafter, may apply for an order of dissolution of the domestic insurer. Upon the filing of the application, the court shall issue an order directing the insurer to appear in court on the day fixed in the order and show cause why the application should not be granted. The order to show cause and notice thereof shall conform to the requirements applicable to an order to show cause set forth in section 4360, subsections 2 and 3, and section 4361. Unless cause is shown why the application should not be granted, the court, after hearing, shall order that the corporate existence of such domestic insurer be dissolved.

Sec. 2. Application. The provisions of the Revised Statutes, Title 24-A, section 4362-A, shall be applicable in all delinquency proceedings commenced on or after its effective date and in all such proceedings pending on its effective date regardless of when commenced.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

Effective February 14, 1984.

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## CHAPTER 604

H.P. 1451 - L.D. 1903

AN ACT to Clarify the Suspension  
Powers of the Public Utilities Commission  
Over Affiliated Interest Contracts.

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

35 MRSA §104, sub-§3, as enacted by PL 1977, c. 426, § 1, is amended to read:

3. Consent by commission. No public utility shall ~~may~~ extend or receive credit or make or receive a loan to or from an affiliated interest or make any contract or arrangement for the furnishing of manage-