# MAINE STATE LEGISLATURE

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## **LAWS**

### **OF THE**

# **STATE OF MAINE**

AS PASSED BY THE

#### ONE HUNDRED AND SEVENTEENTH LEGISLATURE

FIRST REGULAR SESSION December 7, 1994 to June 30, 1995

THE GENERAL EFFECTIVE DATE FOR FIRST REGULAR SESSION NON-EMERGENCY LAWS IS SEPTEMBER 29, 1995

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A, SUBSECTION 4

> J.S. McCarthy Company Augusta, Maine 1995

- A. If the broker fails to file the annual statement or to remit the tax as required by section 2017 2016;
- **Sec. 29. 24-A MRSA §2013, sub-§1, ¶E,** as enacted by PL 1985, c. 564, §3, is amended to read:
  - E. If the broker assists any person or persons not licensed as surplus lines brokers by serving as a reporting broker for purposes of section 2005, 2015, or 2016 or 2017 with respect to insurance coverage not procured by the broker.
- **Sec. 30. 24-A MRSA §2017,** as repealed and replaced by PL 1991, c. 674, §1, is repealed.
- **Sec. 31. 24-A MRSA §2020, sub-§1,** as enacted by PL 1993, c. 153, §17, is amended to read:
- 1. Every applicant for a surplus lines broker's license shall file with the superintendent evidence of a bond in favor of the State executed by an authorized surety insurer. The bond is conditioned upon full accounting and due payment to the person entitled to the bond of funds coming into the surplus lines broker's possession through insurance transactions under the license. The bond may be continuous in force and aggregate liability on the bond is limited to payment of not less than \$2,500 \$20,000.
- **Sec. 32. 24-A MRSA §2308, sub-§2,** as enacted by PL 1987, c. 337, is amended to read:
- 2. To promote the availability of coverage in lines of insurance when coverage is difficult to obtain or unavailable, a form more restrictive than that provided by filings otherwise applicable may be used on any specific risk, provided that the following requirements are satisfied.
  - A. The restrictive form and applicable rates are filed with the bureau.
  - B. A disclosure statement detailing the nature of the restriction or restrictions contained in the form and the manner in which the provisions of the restrictive form differ from an otherwise applicable filing is provided to and acknowledged by the applicant for insurance.
  - C. A copy of the disclosure statement and the written application for insurance submitted by the applicant are submitted to the bureau.
  - D. The superintendent does not disapprove the use of the restrictive form in the specific case.

The period during which a restrictive form may be employed, consistent with this subsection, is for the maximum period of one year. At any subsequent policy renewal, the provisions of this subsection must again be satisfied.

- Sec. 33. 24-A MRSA §2308, sub-§§3 and 4 are enacted to read:
- 3. At any subsequent policy renewal in which additional or different restrictive policy forms or excess rates are employed, the provisions of this section must again be satisfied.
- 4. Notification to the superintendent of cancellation or nonrenewal of a policy containing restrictive forms or employing excess rates is required within 30 days following cancellation or nonrenewal of the policy.

See title page for effective date.

#### **CHAPTER 330**

S.P. 572 - L.D. 1552

An Act Concerning the Sites for Western Aroostook District Court

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

- **Sec. 1. 4 MRSA §153, sub-§3,** as amended by PL 1993, c. 675, Pt. B, §1, is further amended to read:
- 3. Western Aroostook. Western Aroostook consists of the municipalities and unorganized territory known as Hamlin Plt., Cyr Plt., T17 R3, T17 R4, T16 R5, T15 R6, Winterville Plt., T15 R8, T15 R9, T14 R10, T14 R11, T14 R12, T14 R13, T14 R14, T14 R15, T14 R16, and all municipalities and unorganized territory in Aroostook County lying to the west and north of these. The District Court for Western Aroostook must be held at Madawaska, and Fort Kent and Van Buren. The Chief Judge shall determine the level of service at each location.

See title page for effective date.

### **CHAPTER 331**

H.P. 794 - L.D. 1111

An Act to Enable Small Farm Owners to Process and Sell Foods They Produce

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

Sec. 1. 22 MRSA §2152, sub-§4-A, as amended by PL 1991, c. 784, §13, is repealed and the following enacted in its place: