

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act Regarding Insurance Adjusters and Reporting Requirements for Insurance Companies

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

Sec. 1. 24-A MRSA §1402, sub-§1, ¶¶E and F, as enacted by PL 1997, c. 457, §23 and affected by §55, are amended to read:

E. Persons adjusting only life and health insurance claims; or

F. Adjuster trainees; or

Sec. 2. 24-A MRSA §1402, sub-§1, ¶G is enacted to read:

G. An individual who collects claim information from, or furnishes claim information to, insureds or claimants and who conducts data entry including entering data into an automated claims adjudication system as long as the individual is an employee of an adjuster licensed under this chapter or the adjuster's affiliate when no more than 25 such persons are under the supervision of one licensed adjuster or insurance producer described under paragraph C. For purposes of this paragraph, "automated claims adjudication system" means a preprogrammed computer system designed for the collection, data entry, calculation and final resolution of portable electronic device insurance claims that:

(1) May only be used by a licensed adjuster, insurance producer or supervised individual operating pursuant to this paragraph;

(2) Must comply with all claims payment requirements of the Maine Insurance Code; and

(3) Must be certified as compliant with this paragraph by a licensed adjuster that is an officer of a business entity licensed under this chapter.

Sec. 3. 24-A MRSA §1413, sub-§2, as amended by PL 2001, c. 259, §14, is further amended to read:

2. Officers; directors; members; partners. A business entity shall notify the superintendent of its members, directors, officers or partners, and of all executive officers and directors of entities owning and individuals owning, directly or indirectly, 51% or more of the outstanding voting securities of the applicant, within 14 days of a request for such information by the superintendent. A nonresident business entity applying for a license under this chapter whose home state as defined in section 1420-A, subsection 2 complies with all the provisions of this section is not required to submit background information regarding its executive officers, directors and owners of outstanding voting securities.

Sec. 4. 24-A MRSA §1427-A, sub-§1, as enacted by PL 2001, c. 259, §32, is amended to read:

1. Exemption. An individual who applies for an adjuster or consultant license in this State who was previously licensed as such in another state is not required to complete any prelicensing education or examination pursuant to section 1410. This exemption is only available if the person is currently licensed in that state or if the application is received within 90 days of the cancellation of the applicant's previous license and if the prior state issues a certification that, at the time of cancellation, the applicant was in good standing in that state, or the state's producer database records, maintained by the National Association of Insurance Commissioners, its affiliates or subsidiaries or any successor organization, indicate that the adjuster or consultant is or was licensed in good standing for the type of license requested.

A resident of Canada may not be licensed as a resident adjuster pursuant to section 1411 and may not designate this State as the person's home state unless the person has successfully passed the adjuster examination under section 1410 and has complied with the requirements of section 1472, subsection 2.

A resident of Canada may not be licensed as a nonresident adjuster pursuant to section 1411 unless the person has obtained a resident or home state adjuster license in another jurisdiction.

As used in this subsection, unless the context otherwise indicates, "home state" means the District of Columbia and any state or territory of the United States that is the location of an adjuster's principal place of residence or principal place of business and in which that person is licensed to act as an adjuster.

SUMMARY

This bill provides that the performance of clerical activities associated with licensed adjuster activities for portable electronic devices does not require an adjuster's license. It requires insurance companies to notify the Superintendent of Insurance of all executive officers and directors of entities owning and individuals owning 51% or more of their outstanding voting securities. It clarifies the reporting standards for nonresident insurance companies. It adds provisions governing the licensure of a resident of Canada as an adjuster.