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HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
130TH LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 611, L.D. 1752, “An Act To Provide Insurance Coverage for a Beneficiary on a Transfer on Death Deed”

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 24-A MRSA §3049-A is enacted to read:

§3049-A. Transfer on death deed; provision and cancellation of property insurance

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

- A. "Designated beneficiary" has the same meaning as in Title 18-C, section 6-402, subsection 2.
- B. "Insurable interest" has the same meaning as in section 2406, subsection 2.
- C. "Policy" means an insurance contract subject to this subchapter.
- D. "Transfer on death deed" has the same meaning as in Title 18-C, section 6-402, subsection 6.
- E. "Transferor" has the same meaning as in Title 18-C, section 6-402, subsection 7.

2. Policy to include designated beneficiary. Notwithstanding any provision of law to the contrary, when an insured property passes to a designated beneficiary under a transfer on death deed, any policy covering the insured property must extend to the designated beneficiary, except as provided in this section.

3. Cancellation. Upon receiving a notice of death affidavit under Title 18-C, section 6-414, the insurer may cancel a policy extended pursuant to this section as if the policy had been in effect for less than 90 days, as provided in section 3049. If the insurer does not receive a notice of death affidavit within 30 days after the transferor's death, the policy is deemed to have been cancelled as of the transferor's death without any further action by the insurer.

4. Coverage extended. The coverage extension under this section applies only with respect to the premises and property of the transferor.

COMMITTEE AMENDMENT

