

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FIFTH LEGISLATURE

Legislative Document

No. 893

H. P. 664

House of Representatives, February 17, 1971

Referred to Committee on Business Legislation. Sent up for concurrence and ordered printed.

BERTHA W. JOHNSON, Clerk

Presented by Mr. Stillings of Berwick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-ONE

**AN ACT Relating to Cancellation, Nonrenewal and Certain Changes of
Automobile Insurance Because of Age.**

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

R. S., T. 24-A, § 2906, additional. Title 24-A of the Revised Statutes, as enacted by section 1 of chapter 132 of the public laws of 1969, is amended by adding a new section 2906, to read as follows:

§ 2906. Automobile insurance, cancellation, nonrenewal and certain changes because of age, prohibited

1. **Age.** No insurance company authorized to transact business in this State shall cancel, reduce liability limits, refuse to renew or increase the premium of any automobile insurance policy of any kind whatsoever for the sole reason that the person to whom such policy has been issued has reached a certain age.

2. **Applicability.** This section shall apply to policies issued on and after the effective date of this Act.

STATEMENT OF FACT

Relative to subsection 1, it appears to be the practice of some insurance companies to cancel, reduce liability limits, refuse to renew or increase the premium of various automobile insurance policies for the sole reason that the policyholder has reached a certain age. Such discrimination is arbitrary and unreasonable.

Relative to subsection 2, future applicability is provided to avoid any question of constitutionality.