

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 27

H. P. 23

House of Representatives, December 4, 1980

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

EDWIN H. PERT, Clerk

Presented by Mrs. Beaulieu of Portland.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

**AN ACT to Allow Cancellation or Nonrenewal of Automobile Insurance Coverage
for a Specific Individual under a Family Policy.**

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

24-A MRSA § 2916-B is enacted to read:

§ 2916-B Partial cancellation or nonrenewal under family policy

In order to avoid cancellation or nonrenewal, and to allow an insurer to continue providing coverage without an unreasonable risk, an insurer and the named insured, under a contract providing coverage for the named insured and another operator or operators who either reside in the same household or customarily operate an automobile insured under the policy, may agree to a provision in the policy which allows the insurer to cancel or refuse to renew the policy coverage for an operator or operators who commit an act for which the policy could be cancelled under section 2914, subsection 4 or for which the insurer could refuse to renew under section 2916-A, subsections 1 and 2.

STATEMENT OF FACT

This bill authorizes an insurance company to cancel or refuse to renew the automobile insurance coverage of an individual covered under a family policy without cancelling or refusing to renew the coverage for the remaining members.

Such a policy provision could be invoked only if the individual committed an act for which the entire policy could either be cancelled or nonrenewed under existing law.