

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 390

H. P. 342

House of Representatives, January 22, 1981

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

EDWIN H. PERT, Clerk

Presented by Representative Connors of Franklin.

Cosponsor: Representative MacBride of Presque Isle.

STATE OF MAINE

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

AN ACT to Require Motor Vehicle Liability Insurance.

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

29 MRSA § 833 is enacted to read:

§ 833. Mandatory motor vehicle insurance coverage; limits

1. Coverage. Every owner of a motor vehicle principally garaged in this State or required to be registered in this State who operates it or permits it to be operated in this State shall provide, prior to that operation, motor vehicle liability insurance coverage, under provisions approved by the Superintendent of Insurance, insuring against loss resulting from liability imposed by law for bodily injury, death and property damage sustained by any person arising out of the ownership, maintenance, operation or use of a motor vehicle and that coverage shall be at least in an amount or limit of:

A. \$20,000, exclusive of interest and costs on account of injury to, or death of, one person in any one accident;

B. Subject to the limit for any one person so injured or killed, \$40,000, exclusive of interest and costs, on account of injury to, or death of, more than one person in any one accident; and

C. \$10,000, exclusive of interest and costs, for damage to property in any one accident.

In addition, every owner further shall be required to provide the proof of financial responsibility under chapter 9, subchapter I.

2. Self-insurer. Subject to approval of the Secretary of State, the motor vehicle liability insurance coverage required by this chapter may be provided by self-insurance by filing with the Superintendent of Insurance in satisfactory form:

A. A continuing undertaking by the owner or other appropriate person to pay basic benefits and to perform all other obligations imposed by this chapter;

B. Evidence that appropriate provision exists for the prompt and efficient administration of all claims, benefits and obligations provided by this chapter; and

C. Deposits or commitments exist providing assurance for payment of basic benefits and all other obligations imposed by this chapter substantially equivalent to those afforded by a policy of insurance that would comply with this chapter. A person who provides security under this subsection is a self-insurer.

3. Penalty. It is unlawful for any owner, operator or registrant of a motor vehicle registered or principally garaged in this State to knowingly operate or cause to be operated a motor vehicle upon any public road or highway in this State without motor vehicle liability insurance coverage as required by this chapter. A violation of this chapter is a civil violation for which, upon judgment, a person shall forfeit not more than \$100 and shall forthwith forfeit his right to operate a motor vehicle upon any public road or highway in this State for a period up to 3 months from the date of that judgment. Upon petition and filing of proof of the required coverage, the Secretary of State shall restore to that person his right to operate a motor vehicle in this State prior to the expiration of that period of suspension.

STATEMENT OF FACT

The purpose of this bill is to require all owners of motor vehicles registered, principally garaged or using the public ways of this State to carry liability insurance. No victim of a traffic accident should suffer loss because the driver or owner of the vehicle causing that accident did not carry automobile liability insurance.