

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 883

H. P. 745

House of Representatives, February 17, 1981

On Motion of Representative Hobbins of Saco, referred to the Committee on Judiciary. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Drinkwater of Belfast.

Cosponsors: Representative O'Rourke of Camden and Senator Brown of Washington.

STATE OF MAINE

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

AN ACT Concerning Minimum Limits Required under the Financial Responsibility Law.

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

Sec. 1. 29 MRSA § 781, sub-§ 1, ¶C, as amended by PL 1969, c. 363, § 1, is further amended to read:

C. "Motor vehicle liability bond," a bond certified as proof of financial responsibility in accordance with section 787, and conforming to section 786, subsection 3, and conditioned that the obligor shall within 30 days after the rendition thereof satisfy all judgments rendered against him or against any person responsible to him for the operation of the obligor's motor vehicle, trailer or semitrailer who has obtained possession or control thereof with his express or implied consent, in actions to recover damages for damage to property of others or bodily injuries, including death at any time resulting therefrom, accidentally sustained during the term of ~~said~~ the bond by any person other than the insured employees of the obligor actually operating the motor vehicle or of such other person responsible who are entitled to payments or benefits under any ~~Workmen's~~ **Workers'** Compensation Act, arising out of the ownership, operation, maintenance, control or use within the limits of the United States of America or the Dominion of Canada of such motor vehicle,

trailer or semitrailer, to the amount or limit of at least ~~\$10,000~~ **\$25,000** on account of damage to property and at least ~~\$20,000~~ **\$50,000** on account of injury to or death of any one person, and subject to such limits as respects injury to or death of one person, at least ~~\$40,000~~ **\$100,000** on account of any one accident resulting in injury to or death of more than one person.

Sec. 2. 29 MRSA § 781, sub-§ 1, ¶ D, as amended by PL 1969, c. 363, § 2, is further amended to read:

D. "Motor vehicle liability policy," a policy of liability insurance certified as proof of financial responsibility in accordance with section 787, and which provides indemnity for or protection to the insured and any person responsible to him for the operation of the insured's motor vehicle, trailer or semitrailer who has obtained possession or control thereof with his express or implied consent, against loss by reason of the liability to pay damages to others for damage to property, except property of others in charge of the insured or his employees, or bodily injuries, including death at any time resulting therefrom, accidentally sustained during the term of ~~said~~ **the** policy by any person other than the insured, or employees of the insured actually operating the motor vehicle or of such other person responsible who are entitled to payments or benefits under any ~~Workmen's~~ **Workers'** Compensation Act, arising out of the ownership, operation, maintenance, control or use within the limits of the United States of America or the Dominion of Canada of such motor vehicle, trailer or semitrailer, to the amount or limit of at least ~~\$20,000~~ **\$50,000** on account of injury to or death of any one person, and subject to such limits as respects injury to or death of one person, of at least ~~\$40,000~~ **\$100,000** on account of any one accident resulting in injury to or death of more than one person, and of at least ~~\$10,000~~ **\$25,000** for damage to property of others, or a binder pending the issue of such policy.

Sec. 3. 29 MRSA § 782, sub-§ 1, first sentence, as last amended by PL 1977, c. 694, § 509, is further amended to read:

Upon receipt of an abstract of the record in cases of conviction of adjudication of any person for a violation of any state law relative to motor vehicles, the Secretary of State, in his discretion, may forthwith, pursuant and subject to chapter 17, suspend the license of the person so convicted or adjudicated and the registration certificates and registration plates issued for any motor vehicle, trailer or semitrailer registered in the name of such person unless and until such person gives and thereafter maintains for a period of 3 years proof of his financial responsibility in the limits of ~~\$20,000~~ **\$50,000** each individual, ~~\$40,000~~ **\$100,000** any one accident resulting in injury of death to one or more persons and ~~\$10,000~~ **\$25,000** for damage to property of others.

Sec. 4. 29 MRSA § 784, sub-§§ 1, 2 and 3, as amended by PL 1969, c. 363, § 4, are further amended to read:

1. **\$50,000 credited.** When ~~\$20,000~~ **\$50,000** has been credited upon any judgment

or judgments rendered in excess of that amount because of bodily injury to or death of one person as the result of any one accident; or

2. **\$100,000 credited.** When, subject to such limit of ~~\$20,000~~ **\$50,000** because of bodily injury to or death of one person, the sum of ~~\$40,000~~ **\$100,000** has been credited upon any judgment or judgments rendered in excess of that amount because of bodily injury to or death of 2 or more persons as a result of any one accident; or

3. **\$25,000 credited.** When ~~\$10,000~~ **\$25,000** has been credited upon any judgment or judgments rendered in excess of that amount because of injury to or destruction of property of others as a result of any one accident.

Sec. 5. 29 MRSA § 787, sub-§ 1, first sentence, as amended by PL 1969, c. 363, § 5, is further amended to read:

Proof of financial responsibility shall mean proof of ability to respond in damages for any liability thereafter incurred, arising out of the ownership, maintenance, control or use of a motor vehicle, trailer or semitrailer in the amount of ~~\$20,000~~ **\$50,000** because of bodily injury or death to any one person, and subject to ~~said~~ the limit respecting one person, in the amount of ~~\$40,000~~ **\$100,000** because of bodily injury to or death to 2 or more persons in any one accident, and in the amount of ~~\$10,000~~ **\$25,000** because of injury to and destruction of property in any one accident.

STATEMENT OF FACT

The purpose of this bill is to increase the minimum limits under the Financial Responsibility Law. These limits have not been increased since 1969 and are now unreasonably low.