## MAINE STATE LEGISLATURE

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D. OF R.

(Filing No. S-286)

## STATE OF MAINE SENATE 110TH LEGISLATURE FIRST REGULAR SESSION

SENATE AMENDMENT "B' to H.P. 1455, L.D. 1596, Bill, "AN ACT Concerning Minimum Limits Required under the Financial Responsibility Law."

Amend the Bill by striking out everything after the enacting clause and inserting in its place the following:

'Sec. 1. 29 MRSA §723, first ¶, as amended by PL 1973, c. 585, §12, is further amended to read:

The Secretary of State shall not issue a license for a commercial driver education school until the applicant therefor shall have procured and filed with the Secretary of State a certificate showing that the applicant is covered by an automobile bodily injury and property damage liability insurance policy providing coverage as set forth in this Title, approved by the Insurance Superintendent, insuring against any legal liability in accordance with the terms of said the policy for personal injury or death of any one person in the sum of \$25,000 \times and for any number of persons in the sum of \$50,000 \times and against property damage in the sum of \$10,000 \times and solution and which injury, death or damage may result from or have been caused by the operation of any vehicle being used in carrying out this subchapter. In lieu of such insurance,

the applicant may file with said the Secretary of State a bond or bonds issued by a surety company authorized to do business in the State in the amount of at least \$25,000 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 \$50,000 on account of any one accident resulting in injury to or death of more \$20,000 than one person, and of at least \$10,000 for damage to property of others.

Sec. 2. 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 satisf y 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

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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 semitriller, to the amount or limit of at least \$167000 \$20,000 on account of damage to property and at least \$207000 \$25,000 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 \$407000 \$50,000 on account of any one accident resulting in injury to or death of more than one person.

Sec. 3. 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 a

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

SENATE AMENDMENT "B" to H.P. 1455, L.D. 1596

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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 \$25,000 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 \$50,000 on account of any one accident resulting in injury to or death of more than one person, and of at least \$10,000 \$20,000 for damage to property of others, or a binder pending the issue of such policy.

Sec. 4. 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 or 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 each individual, \$40,000 \$50,000 any one accident resulting in injury or death to one or more persons and \$10,000 \$20,000 for damage to property of others.

Sec. 5. 29 MRSA §783, sub-§5, ¶F, last sentence, as amended

by PL 1969, c. 363, §3, is further amended to read:

Every such policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than \$20,000 because of bodily injury to or death of one person in any one accident and, subject to said the limit for one person, to a limit of not less than \$40,000 \$50,000 because of bodily injury to or death of 2 or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of not less than \$40,000 \$20,000 because of injury to or destruction of property of others in any one accident;

- Sec. 6. 29 MRSA \$784, sub-\$\$1, 2 and 3, as amended by PL 1969, c. 363, \$4, are further amended to read:
- 1. \$25,000 credited. When 6207000 \$25,000 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

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- 2. \$50,000 credited. When, subject to such limit/\$20,7000 \$25,000 because of bodily injury to or death of one person, the sum of \$40,7000 \$50,000 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. \$20,000 credited. When \$10,7000 \$20,000 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. 7. 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 \$29,7000 secause of bodily injury or death to any one person,

and subject to said the limit respecting one person, in the amount of \$40,000 \$50,000 because of bodily injury to or death to 2 or more persons in any one accident, and in the amount of \$10,000 \$20,000 because of injury to and destruction of property in any one accident.

Sec. 8. 29 MRSA §831, first sentence, as amended by PL 1973, c. 469, §8, is further amended to read:

The Secretary of State shall not register any motor vehicle rented or leased on plans commonly known as U-Drive, Drive Yourself or Driverless Car plans nor any motor vehicle used for livery or hire, except as provided in Title 35, section 1510, or as a school bus, and no person, firm or corporation shall/operate or cause to be operated upon any public highway in this State any such motor vehicle, until the owner or owners thereof shall have procured insurance or a bond, having a surety company authorized to transact business in this State or 2 individuals as sureties thereon, in the amount of \$20,000 \$25,000 because of bodily injury or death to any one person, and subject to said the limit respecting one person, in the amount of \$40,000because of bodily injury to or death to 2 or \$50,000 more persons in any one accident, and in the amount of \$10,000 \$20,000 because of injury to and destruction of property in any one accident, which insurance or bond shall be approved by the Secretary of State and shall indemnify the insured against any legal liability for

personal injury, the death of any person or property damage, which injury, death or damage may result from or have been caused by the operation of the motor vehicle described in the contract of insurance or such bond.

Sec. 9. 29 MRSA \$832, first 1, as amended by PL 1973,
c. 788, \$129, is further amended to read:

The Secretary of State shall not issue a chapter 5, subchapter III-A dealer, transporter, loaner, motorcycle dealer or boat trailer dealer, registration plates, until the applicant therefor shall have procured and filed with the Secretary of State a certificate showing that the applicant is covered by an automobile bodily injury and property damage liability insurance policy providing coverage as set forth in this Title with respect to the plates issued, approved by the Insurance Superintendent, insuring against any legal liability in accordance with the terms of said the policy for personal injury or death of any one person in the sum of \$20,000 \$25,000 and for any number of persons in the sum of \$40,000 \$50,000 and against property damage in the sum of \$10,000\$ \$20,000, which injury, death or damage may result from or have been caused by the operation of any vehicle bearing such registration plates. In lieu of such insurance, the applicant may file with said the Secretary of State a bond or bonds issued by a surety company authorized to do business in the State in the amount of at least \$20,000 \$25,000 on

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SENATE AMENDMENT " B" to H.P. 1455, L.D. 1596

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 \$50,000 on account of any one accident resulting in injury to or death of more than one person, and of at least \$10,000 \$20,000 for damage to property of others.

## Statement of Fact

The purpose of this amendment is to lower the limits provided by this legislation to a more reasonable increase over the prior limits.

(Sen. Trafton

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COUNTY: And

Barbara M. haffen

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Reproduced and distributed pursuant to Senate Rule 11-A.

May 26, 1981

(Filing No. S-286)