

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
4

5 Legislative Document

No. 127

6  
7 H.P. 119

House of Representatives, January 10, 1983

8 Reference to the Committee on Business Legislation. Sent up for  
9 concurrence and ordered printed.

10 EDWIN H. PERT, Clerk

Presented by Representative MacBride of Presque Isle.

Cosponsors: Representative Conners of Franklin, Representative Paradis  
11 of Augusta and Senator Charette of Androscoggin.

12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
16

17 AN ACT Concerning Mandatory Motor  
18 Vehicle Liability Insurance.  
19

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

22 29 MRSA §833 is enacted to read:

23 §833. Mandatory motor vehicle insurance coverage;  
24 limits

25 1. Coverage. Every owner of a motor vehicle  
26 principally garaged in this State or required to be  
27 registered in this State who operates it or permits  
28 it to be operated in this State shall provide, prior  
29 to that operation, motor vehicle liability insurance  
30 coverage, under provisions approved by the Superin-  
31 tendent of Insurance, insuring against loss resulting  
32 from liability imposed by law for bodily injury,  
33 death and property damage sustained by any person

1 arising out of the ownership, maintenance, operation  
2 or use of a motor vehicle and that coverage shall be  
3 at least in an amount or limit of:

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

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

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

13 In addition, every owner shall be required to provide  
14 the proof of financial responsibility under chapter  
15 9, subchapter I.

16 2. Proof of continued insurance. Beginning in  
17 1984, any person registering a vehicle which was  
18 registered for the previous year shall provide at the  
19 time of registration, on forms provided by the Secre-  
20 tary of State, adequate proof that paid-up motor  
21 vehicle liability insurance required by subsection 1  
22 was provided for that vehicle during the prior year  
23 or that the vehicle was covered by self-insurance  
24 pursuant to subsection 3. If such proof cannot be  
25 furnished, the Secretary of State may require, prior  
26 to issuing any registration for that vehicle, proof  
27 that the vehicle has not been or will not be operated  
28 in violation of this section.

29 3. Self-insurer. Subject to approval of the  
30 Secretary of State, the motor vehicle liability  
31 insurance coverage required by this chapter may be  
32 provided by self-insurance by filing with the Super-  
33 intendent of Insurance in satisfactory form:

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

38 B. Evidence that appropriate provision exists  
39 for the prompt and efficient administration of

1 all claims, benefits and obligations provided by  
2 this chapter; and

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

10 4. Penalty. It is unlawful for any owner, oper-  
11 ator or registrant of a motor vehicle registered or  
12 principally garaged in this State to knowingly oper-  
13 ate or cause to be operated a motor vehicle upon any  
14 public road or highway in this State without motor  
15 vehicle liability insurance coverage as required by  
16 this chapter. A violation of this chapter is a civil  
17 violation for which, upon judgment, a person shall  
18 forfeit not more than \$100 and shall forthwith forfeit  
19 his right to operate a motor vehicle upon any  
20 public road or highway in this State for a period up  
21 to 3 months from the date of that judgment. Upon  
22 petition and filing of proof of the required cover-  
23 age, the Secretary of State shall restore to that  
24 person his right to operate a motor vehicle in this  
25 State prior to the expiration of that period of sus-  
26 pension.

27 STATEMENT OF FACT

28 The purpose of this bill is to require all owners  
29 of motor vehicles registered, principally garaged or  
30 using the public ways of this State to carry liability  
31 insurance.

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