

MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 1087

6
7 H.P. 767

House of Representatives, March 20, 1985

8 On Motion of Representative Theriault of Fort Kent, referred to the
9 Committee on Business and Commerce. Sent up for concurrence and ordered
10 printed.

EDWIN H. PERT, Clerk

11 Presented by Representative Joseph of Waterville.

Cosponsored by Representative Handy of Lewiston.

12 STATE OF MAINE
13

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

17 AN ACT to Require Financial Responsi-
18 bility and Insurance Provided before
19 being Permitted to Operate a Motor
20 Vehicle.
21

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

24 Sec. 1. 29 MRSA c. 9, 3rd and 4th lines are re-
25 pealed as follows:

26 SUBCHAPTER I

27 GENERAL FINANCIAL RESPONSIBILITY

28 Sec. 2. 29 MRSA §781, as amended by PL 1977, c.
29 694, §508, is further amended to read:

30 §781. Definitions

1 1. Terms defined. As used in this ~~subchapter~~
2 ~~chapter~~, the following words shall have the following
3 meanings.

4 A. "Certificate" means the certificate of an
5 insurance company authorized to transact the
6 business specified in Title 24-A, that it has is-
7 ssued to or for the benefit of any person a motor
8 vehicle liability policy covering the motor vehi-
9 cle, trailer or semitrailer involved in the acci-
10 dent as a result of which the action at law to
11 recover damages referred to in section 783, sub-
12 section 2 was commenced as respects such acci-
13 dent; or the certificate of an insurance company
14 authorized to transact the business specified in
15 Title 24-A, that it has issued to or for the ben-
16 efit of any person a motor vehicle liability poli-
17 cy covering any motor vehicle, trailer or semi-
18 trailer owned by such person pursuant to section
19 792; or the certificate of a surety company au-
20 thorized to transact business under Title 24-A
21 that it has issued to or for the benefit of any
22 person a motor vehicle liability bond covering
23 the motor vehicle, trailer or semitrailer in-
24 volved in the accident as a result of which the
25 action at law to recover damages referred to in
26 section 783, subsection 2 was commenced as re-
27 spects such accident; or the certificate of a
28 surety company authorized to transact business
29 under Title 24-A that it has issued to or for the
30 benefit of any person a motor vehicle liability
31 bond covering any motor vehicle, trailer or semi-
32 trailer owned by such person pursuant to section
33 792. The insurance company or surety company
34 may, at its election, specify on such certificate
35 the expiration date of the motor vehicle liabili-
36 ty policy or bond and, if such company elects to
37 so provide, the policy or bond shall, on and af-
38 ter such date, be deemed terminated for purposes
39 of this ~~subchapter~~ chapter, unless such policy or
40 bond is previously canceled or superseded in ac-
41 cordance with section 787, subsection 6. Where no
42 expiration date is specified on the certificate,
43 the policy or bond shall be deemed, for the pur-
44 poses of this ~~subchapter~~ chapter to continue in
45 effect until it is canceled or superseded in ac-
46 cordance with section 787, subsection 6.

1 B. "Judgment" means any judgment which shall
2 have become final by expiration without appeal of
3 the time within which appeal might have been per-
4 fected, or by final affirmance on appeal, ren-
5 dered by a court of competent jurisdiction of any
6 state or of the United States.

7 C. "Motor vehicle liability bond" means a bond
8 certified as proof of financial responsibility in
9 accordance with section 787, or a bond required
10 under section 792, and conforming to section 786,
11 subsection 3, and conditioned that the obligor
12 shall within 30 days after the rendition thereof
13 satisfy all judgments rendered against him or
14 against any person responsible to him for the op-
15 eration of the obligor's motor vehicle, trailer
16 or semitrailer who has obtained possession or
17 control thereof with his express or implied con-
18 sent, in actions to recover damages for damage to
19 property of others or bodily injuries, including
20 death at any time resulting therefrom, acciden-
21 tally sustained during the term of said the bond
22 by any person other than the insured employees of
23 the obligor actually operating the motor vehicle
24 or of such other person responsible who are enti-
25 tled to payments or benefits under any Workmen's
26 Workers' Compensation Act, arising out of the
27 ownership, operation, maintenance, control or use
28 within the limits of the United States of America
29 or the Dominion of Canada of such motor vehicle,
30 trailer or semitrailer, to the amount or limit of
31 at least \$10,000 on account of damage to property
32 and at least \$20,000 on account of injury to or
33 death of any one person, and subject to such lim-
34 its as respects injury to or death of one person,
35 at least \$40,000 on account of any one accident
36 resulting in injury to or death of more than one
37 person.

38 D. "Motor vehicle liability policy" means a pol-
39 icy of liability insurance certified as proof of
40 financial responsibility in accordance with sec-
41 tion 787, or a policy of liability insurance is-
42 sued pursuant to section 792, and which provides
43 indemnity for or protection to the insured and
44 any person responsible to him for the operation
45 of the insured's motor vehicle, trailer or semi-

1 trailer who has obtained possession or control
2 thereof with his express or implied consent,
3 against loss by reason of the liability to pay
4 damages to others for damage to property, except
5 property of others in charge of the insured or
6 his employees, or bodily injuries, including
7 death at any time resulting therefrom, acciden-
8 tally sustained during the term of ~~said~~ the poli-
9 cy by any person other than the insured, or em-
10 ployees of the insured actually operating the mo-
11 tor vehicle or of such other person responsible
12 who are entitled to payments or benefits under
13 any Workmen's Workers' Compensation Act, arising
14 out of the ownership, operation, maintenance,
15 control or use within the limits of the United
16 States of America or the Dominion of Canada of
17 such motor vehicle, trailer or semitrailer, to
18 the amount or limit of at least \$20,000 on ac-
19 count of injury to or death of any one person,
20 and subject to such limits as respects injury to
21 or death of one person, of at least \$40,000 on
22 account of any one accident resulting in injury
23 to or death of more than one person, and of at
24 least \$10,000 for damage to property of others,
25 or a binder pending the issue of such policy.

26 E. "Owner" means a person who holds the legal
27 title to a motor vehicle, trailer or semitrailer,
28 or in the event a motor vehicle, trailer or semi-
29 trailer is the subject of an agreement for the
30 conditional sale or lease thereof with the right
31 of purchase upon performance of the conditions
32 stated in the agreement and with an immediate
33 right of possession vested in the conditional
34 vendee or lessee, or in the event a mortgagor of
35 a motor vehicle, trailer or semitrailer is enti-
36 tled to possession, then such conditional vendee
37 or lessee or mortgagor shall be deemed the owner
38 for the purposes of this ~~subchapter~~ chapter.

39 F. "Person" means every person, firm, copartner-
40 ship, association or corporation, but not the
41 State or any political subdivision thereof.

42 G. "Secretary of State" ~~shall mean~~ means the
43 Secretary of State or any of his deputies.

1 H. "State" means any state of the United States,
2 the District of Columbia or any province of the
3 Dominion of Canada.

4 2. Secretary of State to administer rules. The
5 Secretary of State shall administer and enforce this
6 ~~subchapter~~ chapter, and he is authorized to adopt and
7 enforce such regulations as may be necessary for that
8 administration.

9 Sec. 3. 29 MRSA §782, as amended by PL 1983, c.
10 809, §1, is further amended to read:

11 §782. Proof required on conviction for violation

12 1. Suspension of licenses. Upon receipt of an
13 abstract of the record in cases of conviction or ad-
14 judication of any person for a violation of any state
15 law relative to motor vehicles, the Secretary of
16 State, in his discretion, may forthwith, pursuant and
17 subject to chapter 17, suspend the license of the
18 person so convicted or adjudicated and the registra-
19 tion certificates and registration plates issued for
20 any motor vehicle, trailer or semitrailer registered
21 in the name of such person unless and until such per-
22 son gives and thereafter maintains for a period of 3
23 years proof of his financial responsibility in the
24 limits of \$20,000 each individual, \$40,000 any one
25 accident resulting in injury or death to one or more
26 persons and \$10,000 for damage to property of others.
27 The Secretary of State shall take action as required
28 in this section upon receiving proper evidence of any
29 such conviction or adjudication of any person in an-
30 other state. ~~The Secretary of State may waive the re-~~
31 ~~quirement of filing proof of financial responsibility~~
32 ~~at any time after 3 years from the date of request~~
33 ~~for compliance-~~

34 2. Definition of term "conviction". For purposes
35 of this ~~subchapter~~ chapter, the term "conviction"
36 shall include a forfeiture of bail or collateral de-
37 posited to secure a defendant's appearance in court,
38 which forfeiture has not been vacated, upon a charge
39 of violating any motor vehicle law.

40 Sec. 4. 29 MRSA §783, sub-§2, ¶A, as repealed
41 and replaced by FL 1979, c. 430, §2, is amended to
42 read:

1 A. Upon receipt by the Secretary of State of the
2 report of an accident on a public way, or in any
3 place where public traffic may reasonably be an-
4 ticipated, which has resulted in death, bodily
5 injury or property damage to an apparent extent
6 of \$300 or more, the Secretary of State, pursuant
7 and subject to chapter 17, shall, 30 days follow-
8 ing the date of request for compliance with the
9 following requirement, suspend the license, the
10 right to obtain a license, or the right to oper-
11 ate of any person operating, and the registration
12 certificates and registration plates or the right
13 to register of any person owning a motor vehicle,
14 trailer or semitrailer in any manner involved in
15 the accident, unless the operator and owner shall
16 immediately give and maintain proof of financial
17 responsibility as provided under section 787,
18 subsection 2. The Secretary of State may waive
19 the requirement of filing proof of financial re-
20 sponsibility at any time after 3 years from the
21 date of request for compliance, provided no fur-
22 ther filing is required under section 782, sub-
23 section 1.

24 Sec. 5. 29 MRSA §784, as amended by PL 1969, c.
25 363, §4, is further amended to read:

26 §784. Payments sufficient to satisfy requirements

27 Every judgment shall, for the purposes of this
28 ~~subchapter~~ chapter be deemed satisfied:

29 1. \$20,000 credited. When \$20,000 has been cred-
30 ited upon any judgment or judgments rendered in ex-
31 cess of that amount because of bodily injury to or
32 death of one person as the result of any one acci-
33 dent; or

34 2. \$40,000 credited. When, subject to such limit
35 of \$20,000 because of bodily injury to or death of
36 one person, the sum of \$40,000 has been credited upon
37 any judgment or judgments rendered in excess of that
38 amount because of bodily injury to or death of 2 or
39 more persons as the result of any one accident; or

40 3. \$10,000 credited. When \$10,000 has been cred-
41 ited upon any judgment or judgments rendered in ex-

1 cess of that amount because of injury to or destruc-
2 tion of property of others as a result of any one ac-
3 cident.

4 Credit for such amounts shall be deemed a satis-
5 faction of any such judgment or judgments in excess
6 of ~~said~~ those amounts only for the purposes of this
7 ~~subchapter~~ chapter.

8 Payments made in settlement of any claims because
9 of bodily injury, death or property damage arising
10 from a motor vehicle accident shall be credited in
11 reduction of the amounts provided for in this sec-
12 tion.

13 Sec. 6. 29 MRSA §785, sub-§1, as amended by PL
14 1979, c. 430, §8, is further amended to read:

15 1. Nonresidents. This ~~subchapter~~ chapter shall
16 apply to any person who is not a resident of this
17 State, and if ~~such~~ that nonresident has failed to
18 give proof of his financial responsibility, then and
19 in such event that nonresident shall not operate any
20 motor vehicle, trailer or semitrailer in this State
21 nor ~~shall~~ may any motor vehicle, trailer or semi-
22 trailer owned by him be operated within this State by
23 any person. The Secretary of State ~~shall~~ may not is-
24 sue to ~~such~~ that nonresident any operator's license
25 or register any motor vehicle, trailer or semitrailer
26 owned by ~~such~~ that nonresident in the same manner as
27 required with respect to a resident of this State.
28 The operation by a nonresident, or with his express
29 or implied consent if an owner, of a motor vehicle,
30 trailer or semitrailer on a public way of the State
31 shall be deemed equivalent to an appointment by ~~such~~
32 that nonresident of the Secretary of State or his
33 successor in office to be his true and lawful attor-
34 ney, upon whom may be served all lawful processes in
35 any action against him, growing out of any accident
36 in which ~~said~~ that nonresident may be involved while
37 so operating or so permitting to be operated a motor
38 vehicle on ~~such~~ a public way.

39 Sec. 7. 29 MRSA §786, as amended by PL 1977, c.
40 694, §513, is further amended to read:

41 §786. Bonds

1 1. Policy form. No motor vehicle liability poli-
2 cy, as defined in section 781, shall be certified as
3 proof of financial responsibility in accordance with
4 section 787, or as proof of insurance in accordance
5 with section 792, until a copy of the form of the
6 policy has been on file with the Insurance Superin-
7 tendent for at least 30 days, unless, before the ex-
8 piration of said the period, said the Insurance Su-
9 perintendent shall have approved the form of the poli-
10 cy in writing, nor if said the Insurance Superin-
11 tendent notifies the company in writing that, in his
12 opinion, the form of said the policy does not comply
13 with the laws of the State, provided he shall notify
14 the company in writing within said the period of his
15 approval or disapproval thereof. Said The Insurance
16 Superintendent shall approve a form of policy which
17 contains the name and address of the insured, a de-
18 scription of the motor vehicles and trailers or semi-
19 trailers covered, with the premium charges therefor,
20 the policy period, the limits of liability and an
21 agreement that insurance is provided in accordance
22 with and subject to this ~~subchapter~~ chapter.

23 2. Required provisions. A motor vehicle liabili-
24 ty policy certified as proof of financial responsi-
25 bility in accordance with section 787, or certified
26 as proof of insurance in accordance with section 792,
27 shall be subject to the following provisions which
28 need not be contained therein.

29 A. The liability of any company under a motor
30 vehicle liability policy shall become absolute
31 whenever loss or damage covered by said policy
32 occurs, and the satisfaction by the insured of a
33 final judgment for such loss or damage shall not
34 be a condition precedent to the right or duty of
35 the company to make payment on account of said
36 loss or damage. No such contract of insurance
37 shall be canceled or annulled by any agreement
38 between the company and the insured after the
39 said insured has become responsible for such loss
40 or damage, and any such cancellation or annulment
41 shall be void. Upon the recovery of a final
42 judgment against any person for any loss or dam-
43 age specified in this section, if the judgment
44 debtor was, at the accrual of the cause of ac-
45 tion, insured against liability therefor under a

1 motor vehicle liability policy, the judgment
2 creditor shall be entitled to have the insurance
3 money applied to the satisfaction of the judg-
4 ment.

5 B. The policy, the written application therefor,
6 if any, and any rider or endorsement, which shall
7 not conflict with this ~~subchapter~~ chapter, shall
8 constitute the entire contract between the par-
9 ties.

10 C. No statement made by the insured or on his
11 behalf, and no violation of the terms of the pol-
12 icy, shall operate to defeat or avoid the policy
13 so as to bar recovery within the limit provided
14 in the policy.

15 D. If the death, insolvency or bankruptcy of the
16 insured shall occur within the policy period, the
17 policy during the unexpired portion of such peri-
18 od shall cover the legal representatives of the
19 insured. Such policy shall contain such provi-
20 sions, as are not inconsistent with this
21 ~~subchapter~~ chapter as shall be required by the
22 Insurance Superintendent.

23 E. Damages shall not be assessed except by spe-
24 cial order of the court in a civil action, pay-
25 ment of the judgment wherein is secured by a mo-
26 tor vehicle liability policy or a motor vehicle
27 liability bond, as defined in section 781, and
28 wherein the defendant has been defaulted for
29 failure to enter an appearance until the expira-
30 tion of 30 days after the plaintiff has given no-
31 tice of such default to the company issuing or
32 executing such policy or bond and has filed an
33 affidavit thereof. Such notice may be given by
34 mailing the same, postage prepaid, to the said
35 company or to its agent who issued or executed
36 such policy or bond. Upon receipt of information
37 and having become satisfied that the insured has
38 failed to comply with the terms of his policy in
39 regard to notice to the company of an accident,
40 the Secretary of State, pursuant and subject to
41 chapter 17, shall revoke his license and regis-
42 tration for such period as the Secretary of State
43 shall determine.

1 3. Liability bonds. Subsections 1 and 2, except
2 subsection 2, paragraphs A, B and C, shall apply to
3 motor vehicle liability bonds, as defined in section
4 781, and every ~~such~~ bond of that type shall be sub-
5 ject to, although it need not be contained therein,
6 the provision that no statement made by the principal
7 on ~~such~~ that bond or on his behalf, and no violation
8 of the terms of ~~such~~ that bond, ~~shall~~ may operate to
9 defeat or avoid ~~such~~ the bond as against the judgment
10 creditor of ~~such~~ that principal.

11 4. Prohibition. No motor vehicle liability poli-
12 cy other than that defined in section 781 ~~shall~~ may
13 be certified as proof of financial responsibility in
14 accordance with section 787, or as proof of insurance
15 in accordance with section 792, by any authorized in-
16 surance company, except that such an authorized in-
17 surance company may certify what is known as a stan-
18 dard automobile liability policy containing an agree-
19 ment that insurance is provided in accordance with
20 and subject to this ~~subchapter~~ chapter which agree-
21 ment has been approved by the Insurance Superintend-
22 ent.

23 Sec. 8. 29 MRSA §787, as amended by PL 1981, c.
24 475, §1, is further amended to read:

25 §787. Proof of financial responsibility

26 1. Amount of proof required. Proof of financial
27 responsibility ~~shall~~ mean means proof of ability to
28 respond in damages for any liability thereafter in-
29 curred, arising out of the ownership, maintenance,
30 control or use of a motor vehicle, trailer or semi-
31 trailer in the amount of \$20,000 because of bodily
32 injury or death to any one person, and subject to
33 ~~said~~ the limit respecting one person, in the amount
34 of \$40,000 because of bodily injury to or death to 2
35 or more persons in any one accident, and in the
36 amount of \$10,000 because of injury to and destruc-
37 tion of property in any one accident. Whenever re-
38 quired under this ~~subchapter~~ chapter, such proof in
39 such amounts shall be furnished for each motor vehi-
40 cle, trailer or semitrailer registered by such per-
41 son, except that any trailer, semitrailer, camp
42 trailer or mobile home, registered in the name of any
43 person required to file proof of financial responsi-

1 bility, which is automatically covered by a policy on
2 any motor vehicle registered by such person, which
3 also provides the coverage required for a motor vehi-
4 cle liability policy, shall not be subject to this
5 section.

6 2. Methods of giving proof. Proof of financial
7 responsibility when required under this ~~subchapter~~
8 chapter may be given by any of the following methods:

9 A. By filing with the Secretary of State a cer-
10 tificate, as defined in section 781, of an insur-
11 ance company or of a surety company; or

12 B. By the deposit of money or securities as pro-
13 vided in subsection 3; or

14 C. By satisfying the Secretary of State that any
15 corporation has financial ability to comply with
16 the requirements of this ~~subchapter~~ chapter.

17 3. Money or securities deposited as proof. A
18 person may give proof of financial responsibility by
19 delivering to the Secretary of State a receipt of the
20 Treasurer of State showing the deposit with ~~said~~ the
21 Treasurer of State of money in an amount, or securi-
22 ties approved by ~~said~~ the Treasurer of State and of a
23 market value in a total amount, as would be required
24 for coverage in a motor vehicle liability policy fur-
25 nished by the person giving ~~such~~ that proof under
26 this ~~subchapter~~ chapter. ~~Such~~ The securities shall be
27 of a type which may legally be purchased by savings
28 banks or for trust funds. All money or securities so
29 deposited shall be subject to execution to satisfy
30 any judgment mentioned in this ~~subchapter~~ chapter,
31 but shall not otherwise be subject to attachment or
32 execution.

33 4. Limitation. The Treasurer of State ~~shall~~ may
34 not accept any ~~such~~ deposit of that type or issue a
35 certificate therefor and the Secretary of State ~~shall~~
36 may not accept ~~such~~ that certificate, unless accompa-
37 nied by evidence that there are no unsatisfied judg-
38 ments against the depositor registered in the office
39 of the clerk of the Superior Court for the county
40 where the depositor resides.

1 5. May substitute other proof. The Secretary of
2 State shall cancel any bond or return any certificate
3 of insurance, or the Secretary of State shall direct
4 and the Treasurer of State shall return any money or
5 securities, to the person entitled thereto upon the
6 substitution and acceptance of other adequate proof
7 of financial responsibility pursuant to this
8 ~~subchapter~~ chapter.

9 6. Cancellation of policy or bond. No motor ve-
10 hicle liability policy or bond certified as proof of
11 financial responsibility pursuant to subsection 2,
12 paragraph A shall be canceled until at least 10 days
13 after notice of cancellation of the insurance or bond
14 so certified shall be filed in the office of the Sec-
15 retary of State, except that such a policy or bond
16 subsequently procured and certified shall, on the ef-
17 fective date of its certification, terminate the in-
18 surance or bond previously certified with respect to
19 any motor vehicle designated in both certificates.

20 7. Operating without giving proof. Any person
21 whose operator's license or registration certificates
22 or other privilege to operate a motor vehicle, trail-
23 er or semitrailer has been suspended or revoked, res-
24 toration thereof or the issuance of a new license or
25 registration being contingent upon the furnishing of
26 security or proof of financial responsibility, and
27 who during such suspension or revocation or in the
28 absence of full authorization from the Secretary of
29 State shall drive any motor vehicle, trailer or semi-
30 trailer upon any highway or knowingly permits any mo-
31 tor vehicle, trailer or semitrailer owned by such
32 person to be operated by another upon any highway,
33 except as permitted under this ~~subchapter~~ chapter,
34 shall be punished as provided in section 2184. Where
35 any person is required under this ~~subchapter~~ chapter
36 to maintain proof of financial responsibility, the
37 Secretary of State may issue a restricted license to
38 such person, authorizing the operation of any motor
39 vehicle, trailer or semitrailer so long as the owner
40 thereof shall maintain proof of financial responsi-
41 bility.

42 . Sec. 9. 29 MRSA §788 is amended to read:

43 §788. Limitation and saving clause

1 This ~~subchapter~~ chapter shall not be construed to
2 prevent the plaintiff in any civil action from re-
3 lying upon the other processes provided by law.

4 Sec. 10. 29 MRSA §789, as enacted by PL 1977, c.
5 694, §514, is amended to read:

6 §789. Opportunity for hearing

7 1. Desire for hearing. As provided in section
8 53, any person aggrieved by the decision of the Sec-
9 retary of State in applying or invoking the require-
10 ments of this ~~subchapter~~ chapter may, within 10 days
11 after receipt of the requirement, notify the Secre-
12 tary of State in writing of his desire for a hearing.
13 Pending the hearing, the requirement of the
14 ~~subchapter~~ chapter shall not be invoked.

15 2. Determination of issuance. If the Secretary
16 of State, in carrying out his responsibilities to ad-
17 minister and enforce this ~~subchapter~~ chapter, shall
18 hold a hearing as provided in section 53 to determine
19 whether or not a motor vehicle operator's license or
20 certificate of registration should be issued to a
21 person against whom the motor vehicle financial re-
22 sponsibility law has been invoked, he shall provide
23 notice of the hearing to the other party or parties
24 involved in the accident which gave rise to that law
25 being invoked.

26 Sec. 11. 29 MRSA §792 is enacted to read:

27 §792. Insurance required

28 The Secretary of State may not register any motor
29 vehicle until the owner or owners have procured and
30 filed with the Secretary of State a certificate show-
31 ing that they are covered by a motor vehicle liabili-
32 ty policy providing coverage as set forth in this
33 chapter, with respect to that motor vehicle, approved
34 by the Insurance Superintendent, insuring against any
35 legal liability in accordance with the terms of the
36 policy for personal injury or death of any one person
37 in the sum of \$20,000, for any number of persons in
38 the sum of \$40,000 and against property damage in the
39 sum of \$10,000, which injury, death or damage may re-
40 sult from or have been caused by the operation of

1 that motor vehicle. In lieu of this insurance, the
2 applicant may file with the Secretary of State a bond
3 or bonds issued by a surety company authorized to do
4 business in the State, in the amount of at least
5 \$20,000 on account of injury to or death of any one
6 person, and subject to the limits as respects injury
7 to or death of any one person, of at least \$40,000 on
8 account of any one accident resulting in injury to
9 or death of more than one person, and of at least
10 \$10,000 for the damage to property of others.

11 The Insurance Superintendent may not approve of
12 the policy unless it provides coverage for the opera-
13 tor, as well as the owner, but, if the operator is a
14 person other than the named insured, his agent or em-
15 ployee, the policy may provide that coverage for that
16 operator may not apply except to the extent that the
17 limits of liability of any other valid and collecti-
18 ble insurance available to that operator are not
19 equal to the limits of liability specified in this
20 section, in which event any other valid and collecti-
21 ble insurance available to the operator shall be pri-
22 mary insurance as to the operator, notwithstanding
23 anything to the contrary in that other policy.

24 The Secretary of State may suspend the operator's
25 license of any owner of a motor vehicle upon that
26 owner's failure to maintain insurance as required by
27 this section.

28 The operation of any motor vehicle not in compli-
29 ance with this section is a Class E crime.

30 Sec. 12. 29 MRSA c. 9, sub-c. II, first and 2nd
31 lines are repealed as follows:

32 SUBCHAPTER II

33 INSURANCE

34 Sec. 13. 29 MRSA §831, as amended by PL 1973, c.
35 469, §8, is reallocated to be §790.

36 Sec. 14. 29 MRSA §832, as amended by PL 1981, c.
37 437, §16, is reallocated to be §791.

STATEMENT OF FACT

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The purpose of this bill is to require motor vehicle owners to have minimum liability insurance before being permitted to register a motor vehicle in Maine.

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