

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



114th MAINE LEGISLATURE

FIRST REGULAR SESSION - 1989

Legislative Document

No. 963

H.P. 702

House of Representatives, March 29, 1989

Reference to the Committee on Business Legislation suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative CLARK of Millinocket.

Cosponsored by Representative TRACY of Rome, Representative GARLAND of Bangor and Senator BUSTIN of Kennebec.

STATE OF MAINE

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

An Act to Clarify Motor Vehicle Dealership Insurance Coverage Laws.



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

3 **29 MRSA §832, 2nd ¶,** as amended by PL 1973, c. 585, §12, is
5 further amended to read:

7 The Insurance Superintendent of Insurance shall not approve
9 the policy unless it provides coverage for the operator as well
11 as the owner, but if the operator is a person other than the
13 named insured, his or the agent or employee of the named insured,
15 ~~the policy may provide that~~ any such coverage for such the
17 operator shall not apply except to the extent that the limits of
liability of any other valid and collectible insurance available
to such the operator are not equal to the limits of liability
specified herein, in which event any such other valid and
collectible insurance available to the operator shall be primary
insurance as to the operator notwithstanding anything to the
contrary in such other policy.

19

21 **STATEMENT OF FACT**

23 This bill clarifies that primary coverage will be the
25 individual coverage of a person utilizing a vehicle owned by a
27 dealership. The dealer's policy will still be available to
protect any 3rd party injured. This provision clarifies the
existing law which states that the dealer's policy may provide
that the dealer's coverage is not primary coverage.