

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
115TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 934, L.D. 1354, Bill, "An Act Relating to Insurance of Rental Motor Vehicles"

Amend the bill by striking out all of the title and substituting the following:

'An Act Relating to Personal Automobile Insurance'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'24-A MRSA c. 39, sub-c. III is enacted to read:

SUBCHAPTER III

PERSONAL AUTOMOBILE INSURANCE
AND RENTAL VEHICLE COVERAGE

§2927. Personal automobile insurance; rental vehicle coverage

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Authorized driver" means:

(1) The renter;

(2) The renter's spouse, if that person is a licensed driver meeting the rental company's minimum age requirement;

(3) The renter's employer or coworker, if that person is engaged in business activity with the renter and is a licensed driver meeting the rental company's minimum age requirement;

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2 (4) A person who operates the vehicle during an
3 emergency or while parking the vehicle in the course of
4 that person's employment at a commercial establishment;
5 or

6 (5) A person listed by the rental company on the
7 rental agreement as an authorized driver.

8
9 B. "Covered rental agreement" means a written agreement
10 with a term of 45 continuous days or fewer setting forth the
11 terms and conditions governing the use of a covered rental
12 vehicle provided by a rental company.

13
14 C. "Covered rental vehicle" means a private passenger motor
15 vehicle rented pursuant to a covered rental agreement,
16 regardless of where that rental vehicle is registered,
17 rented or operated.

18
19 D. "Private passenger motor vehicle" means a motor vehicle
20 of the private passenger, sedan, station wagon or private
21 passenger minivan type.

22
23 E. "Rental company" means any person or organization,
24 including franchisees, in the business of providing private
25 passenger motor vehicles to the public.

26
27 2. Rental vehicle coverage required. A personal automobile
28 insurance policy that provides liability and collision, liability
29 and comprehensive or liability, comprehensive and collision
30 coverage must provide coverage for the obligation of the insured
31 for actual damage to a covered rental vehicle, including charges
32 for verifiable and actual loss of use not to exceed 30 days,
33 rented by an insured in the United States, its territories or
34 possessions, or Canada under a covered rental agreement. The
35 deductible applicable to the covered rental vehicle may not
36 exceed the highest of the deductibles for the collision coverage
37 in the event of a collision loss or for the comprehensive
38 coverage in the event of a comprehensive loss, applicable to the
39 insured vehicle.

40
41 3. Notice to insureds. Every policy to which this section
42 applies, either upon policy issuance or upon the first renewal
43 after January 1, 1992, must be accompanied or supplemented by a
44 notice, in a form prescribed or approved by the superintendent,
45 advising the insured of the rental vehicle coverage provided
46 pursuant to this section.

47
48 4. Application. This subchapter applies to all personal
49 automobile policies issued for delivery in this State or renewed
50 on or after January 1, 1992.'

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STATEMENT OF FACT

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6 This amendment replaces the bill. The amendment extends the
period of rental to 45 days, applies to all policies providing
liability and collision coverage and limits loss of use charges
8 to verifiable and actual loss of use not to exceed 30 days.

Reported by the Committee on Banking and Insurance
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