

MAINE STATE LEGISLATURE

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

COMMITTEE AMENDMENT "A" to H.P. 1462, L.D. 2074, Bill, "An Act to Amend the Financial Responsibility Laws"

Amend the bill by striking out everything after the title and before the statement of fact and inserting in its place the following:

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, denial of the right to operate or register a motor vehicle as a result of inability to pay a judgment debt imposes a hardship on many persons who need to work in order to pay the debt; and

Whereas, this bill permits judgment debtors to regain the right to operate and register motor vehicles by entering into and complying with installment payment agreements; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 14 MRSA §3125-A is enacted to read:

§3125-A. Debtor subject to loss or suspension of right to operate or register a motor vehicle

A judgment debtor subject to suspension or loss of the right to operate or register a motor vehicle under Title 29, section

2 783, subsection 2, paragraph F may request a disclosure hearing
4 on the issue of how to satisfy the judgment. The court may enter
6 an order for an installment payment agreement in the manner
8 agreed upon by the parties or a modified order in accord with the
10 factors set forth in section 3128. If the parties fail to reach
12 an agreement for an order, the judgment debtor may ask the court
14 for the entry of an installment payment agreement in
16 consideration of those factors.

10 **Sec. 2. 29 MRSA §783, sub-§2, ¶F, as enacted by PL 1979, c.**
12 **430, §3, is amended to read:**

12 F. Upon receipt by the Secretary of State of a copy of any
14 judgment which that has been rendered against either the
16 owner or the operator of the motor vehicle involved in the
18 accident, which judgment resulted from a cause of action
20 that arose from that accident, the Secretary of State shall,
22 pursuant to chapter 17, immediately suspend the license, the
24 right to obtain a license, or the right to operate of any
26 person operating who has thus become a judgment debtor, and
28 the registration certificates and plates or the right to
30 register any vehicle of any person owning a motor vehicle,
trailer or semitrailer involved in the accident who has thus
become a judgment debtor, unless the judgment is completely
satisfied or until the judgment debtor or debtors shall have
secured a written release, in the form required by the
Secretary of the State, from the judgment creditors or an
installment payment agreement is filed with the Secretary of
State pursuant to section 783-A.

30 **Sec. 3. 29 MRSA §783-A is enacted to read:**

32 **§783-A. Installment payment of judgments; default**

34 **1. Installment payment agreement.** The Secretary of State
36 may restore any license and registration certificates and plates
38 suspended pursuant to section 783, subsection 2, paragraph F upon
40 receipt of a court order permitting the judgment debtor to make
42 installment payments on the judgment if any installment is not in
default and the person files and maintains proof of financial
responsibility with the Secretary of State.

44 **2. Default.** Following notice that the judgment debtor has
46 failed to make any installment payment as specified by the order,
the Secretary of State shall suspend the license and registration
certificates and plates of the judgment debtor. The suspension
must continue until the judgment is completely satisfied or the

2 debtor has secured a written release from the judgment creditor
3 in the form required by the Secretary of State.

4 **Emergency clause.** In view of the emergency cited in the
5 preamble, this Act takes effect when approved.

6
7 **FISCAL NOTE**

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9 Costs associated with implementing installment payment plans
10 for certain debtors can be absorbed by the Division of Motor
11 Vehicles and the Judicial Department utilizing existing budgeted
12 resources.'

13
14 **STATEMENT OF FACT**

15
16 This amendment replaces the bill. It provides that a
17 judgment debtor may petition the court for a disclosure hearing
18 on the issue of paying the settlement. The court may approve an
19 installment payment plan agreed to by the parties or, if the
20 parties fail to agree, the court may enter its own payment plan.
21 If the court approves an installment payment agreement, the
22 Secretary of State may restore the judgment debtor's license
23 provided that the installment is not in default and the person
24 maintains proof of insurance with the Secretary of State. The
25 amendment also adds an emergency preamble, an emergency clause
26 and a fiscal note.

Reported by the Committee on Legal Affairs
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