

# MAINE STATE LEGISLATURE

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

COMMITTEE AMENDMENT "A" to H.P. 1644, L.D. 2307, Bill, "An Act to Clarify the Definition of Certain Vehicles for Insurance Purposes"

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, changes in the motor vehicle insurance laws that were enacted in the First Regular Session of the 115th Legislature impose inappropriately high and burdensome insurance rates on for-hire vehicles doing business exclusively within the State; and

Whereas, immediate action is necessary to prevent some of these for-hire companies from having to go out of business as a result of these rates;

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**Sec. 1. 29 MRSA §1, sub-§1-I,** as enacted by PL 1985, c. 429, §7, is repealed and the following enacted in its place:

1-I. Taxicab. "Taxicab" means a sedan, station wagon or minivan used for hire, with a driver, that has a seating capacity of less than 5 persons behind the driver.

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Sec. 2. 29 MRSA §1, sub-§§3-J and 3-K are enacted to read:

3-J. For-hire transportation. "For-hire transportation" means the transportation for compensation of passengers, freight or merchandise not owned by the carrier.

3-K. Limousine. "Limousine" means a vehicle for hire, with a driver, that is used for the transportation of passengers and that has a seating capacity of at least 5 and no more than 14 persons behind the driver.

Sec. 3. 29 MRSA §192, first ¶, as amended by PL 1991, c. 597, §8, is further amended to read:

The Secretary of State is authorized to design and to issue, under such regulations as the secretary determines appropriate, initial type registration plates or combination of initials and numeric type registration plates to be used on passenger motor vehicles or motor vehicles of the station wagon type or taxicabs, or limousines, pickup trucks or motorcycles or motor homes or trailers not to exceed 2,000 pounds, whether semitrailers or 4-wheeled type or camp trailers, as defined in section 1, subsection 1-G, in lieu of other numeric type registration plates. ~~Such~~ These plates must be of such design and bear such letters or letters and numbers as the Secretary of State prescribes, but there may be no duplication of identification.

Sec. 4. 29 MRSA §192, next to last ¶, as amended by PL 1991, c. 597, §8, is further amended to read:

Applications for registration plates as prescribed above, pertaining to owners of passenger vehicles or motor vehicles of the station wagon type, taxicabs, limousines, pickup trucks, motorcycles or motor homes who are residents of this State and who own an unrevoked and unexpired official amateur radio station license issued by the Federal Communications Commission, except those licensed as novices by the Federal Communications Commission, must be accompanied by a notarized proof of ownership of such amateur radio station license. Registration plates issued under this paragraph must be inscribed with the official amateur radio call letters of such applicant as assigned by the Federal Communications Commission.

Sec. 5. 29 MRSA §242, sub-§1, ¶A, as repealed and replaced by PL 1989, c. 481, Pt. B, §1, is amended to read:

A. ~~Meter~~ The fee for motor vehicles used for the conveyance of passengers shall pay a fee of ~~is~~ \$22. Meter The fee for

2 motor vehicles which--are used interchangeably for the  
3 conveyance of passengers or property shall--pay--a--fee--of is  
4 \$22. These vehicles shall must be designated as  
5 "combinations" and may be issued a special plate with the  
6 word "Combination" in lieu of "Vacationland." Passenger  
7 vehicles used under contract with the State, a municipality  
8 or a school district to transport students must be  
9 designated as "combinations." Vehicles owned or operated by  
10 parents or legal guardians are exempt from this provision.  
11 Commercial plates shall may not be issued to or displayed on  
12 automobiles.

13  
14 Motor vehicles used for the conveyance of passengers which  
15 are operated exclusively on islands having no roads  
16 maintained or supported by the State shall must be  
17 registered for a fee of \$2 and the municipality collecting  
18 excise tax for these vehicles may collect an additional fee  
19 of \$4 to defray the cost of removing abandoned vehicles.

20 For the purpose of registration only, a pickup truck may be  
21 registered as provided for automobiles, provided that at no  
22 time may the gross weight of a pickup truck so registered  
23 exceed 6,000 pounds when used as a motor truck or truck  
24 tractor. The owner of such a pickup truck desiring a gross  
25 weight of the truck in excess of 6,000 pounds shall must  
26 register the truck as provided in section 246.

27 The registration fee for an electrically powered passenger  
28 vehicle with a gross vehicle weight of 6,000 pounds or less  
29 shall--be is \$10 greater than the registration fee for a  
30 similar vehicle powered by an internal combustion engine.

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32 **Sec. 6. 29 MRSA §831**, as amended by PL 1991, c. 486, §§1 and  
33 2 and c. 597, §21, is repealed.

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35 **Sec. 7. 29 MRSA §831-A**, as amended by PL 1991, c. 597, §22,  
36 is repealed.

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38 **Sec. 8. 29 MRSA §2241, sub-§1**, as amended by PL 1989, c. 866,  
39 Pt. B, §17 and affected by §26, is further amended by amending  
40 the first paragraph to read:

41  
42 **1. Suspension or revocation.** The Secretary of State or any  
43 deputy secretary of state may suspend or revoke any certificate  
44 of registration, certificate of title or any license or  
45 commercial driver's license issued to any person to operate a  
46 motor vehicle or right to operate a motor vehicle or right to  
47 obtain an operator's license after hearing for any cause deemed  
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2 determined sufficient. The Secretary of State or any deputy  
3 secretary of state is also authorized to suspend or revoke any  
4 certificate of registration, certificate of title, any license or  
5 commercial driver's license, operating authority permit, right to  
6 operate or any fuel use decal issued to any person without  
7 preliminary hearing upon showing by the Secretary of State  
8 records or other sufficient evidence that the person:

9 **Sec. 9. 29 MRSA §2708**, as repealed and replaced by PL 1989,  
10 c. 866, Pt. B, §24, is repealed.

11 **Sec. 10. 29 MRSA §2708-A** is enacted to read:

12 **§2708-A. Insurance, bond or self-insurance required**

13 **1. Insurance, bond or self-insurance required.** The  
14 Secretary of State may not register any motor vehicle for rent,  
15 lease, hire or livery and a person may not operate or cause to be  
16 operated on any public highway in the State such a motor vehicle  
17 until the owner or owners of that vehicle procure insurance or a  
18 bond covering the operation of that vehicle by:  
19

20 **A. Presenting a valid and sufficient insurance policy from:**

21 (1) An insurance company authorized by the  
22 Superintendent of Insurance to transact business in  
23 this State; or

24 (2) With the approval of the Secretary of State, an  
25 insurance company authorized to transact business in  
26 any state that provides an indemnity bond bonding the  
27 insurance company in an amount the Secretary of State  
28 prescribes and having as surety a surety company  
29 authorized by the Superintendent of Insurance to  
30 transact business in this State;

31 **B. Presenting a good and sufficient indemnity bond,**  
32 **approved by the Secretary of State, bonding the applicant in**  
33 **an amount the Secretary of State prescribes and having as**  
34 **surety 2 responsible individuals or a surety company**  
35 **authorized to transact business in this State; or**

36 **C. Presenting a declaratory judgment issued by the**  
37 **Interstate Commerce Commission authorizing the owner to**  
38 **self-insure.**

39 **2. Minimum insurance requirements.** The minimum insurance  
40 requirements are as follows.  
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A. There is a \$350,000 combined single limit for rental vehicles, emergency vehicles and for-hire transportation vehicles for transporting freight or merchandise but not passengers.

B. For vehicles used exclusively to transport passengers for hire between points within the State, including motor vehicles under contract with the State, a municipality or a school district for the transportation of students, but not vehicles defined as school buses in section 2011, there is a combined single limit of:

- (1) Three hundred thousand dollars for vehicles with 7 or fewer passengers;
- (2) Seven hundred fifty thousand dollars for vehicles with 8 to 15 passengers;
- (3) One million five hundred thousand dollars for vehicles with 16 to 30 passengers; and
- (4) Two million dollars for vehicles with 31 or more passengers.

C. For vehicles used to transport passengers for hire between points within the State and points outside the State, but not vehicles defined as school buses in section 2011, or vehicles under contract with the State, municipality or school district for the transportation of students, there is a combined single limit of:

- (1) One million five hundred thousand dollars for vehicles with 15 or fewer passengers; and
- (2) Five million dollars for vehicles with 16 or more passengers.

The Secretary of State shall mark or stamp for-hire vehicle registrations not in compliance with this paragraph as "intrastate only." Car pools or van pools as defined in section 2709 and taxicabs are exempt from the provisions of this paragraph but are subject to the provisions of paragraph B.

D. For school buses as defined in section 2011 there is a combined single limit of:

2           (1) Five hundred thousand dollars for school buses  
with up to 30 passengers; and

4           (2) One million dollars for school buses with 31 or  
more passengers.

6           **3. Maintenance of insurance.** The owner or owners of any  
8 vehicle subject to this section shall maintain at all times the  
10 required amount of insurance or bond during the term of the  
12 vehicle's registration. For vehicles registered in this State,  
14 the Secretary of State shall immediately suspend or revoke,  
16 pursuant to chapter 17, the registration certificate and  
18 registration plates of any vehicle for which the insurance or  
20 bond in the amounts required is not maintained. Any person whose  
22 registration certificate, registration plates and operating  
authority permit have been suspended or revoked pursuant to this  
section shall immediately return the registration certificate,  
registration plates and the operating authority permit to the  
Secretary of State. For vehicles not required to be registered  
in this State, the Secretary of State shall suspend the person's  
operating authority permit or right to operate in this State.

24           **4. Additional requirements.** In addition to this section,  
26 those for-hire carriers not exempted under section 2709 must  
28 comply as required pursuant to sections 2703 and 2704.

30           **5. Coverage of insurance or bond.** The required insurance  
32 policy or bond must adequately provide liability insurance for  
34 the collection of damages for which the holder of a permit or the  
36 owner of a motor vehicle or vehicles may be liable by reason of  
38 the operation of a motor vehicle or vehicles subject to this  
40 chapter.

42           **6. Exemption.** All vehicles owned by a municipality or  
44 school district are exempt from the insurance requirements  
46 established in this section.

48           **Sec. 11. 29 MRSA §2709, sub-§1-A, ¶Q,** as amended by PL 1989,  
c. 866, Pt. B, §25 and affected by §26, is further amended by  
repealing and replacing subparagraph (1) to read:

(1) The operation of a motor vehicle under contract  
with the State, a municipality or a school district  
used in transporting students;

**Sec. 12. Effective date.** Sections 1 to 9 and 11 take effect on  
January 1, 1993. The provisions of section 10 that enact the  
Maine Revised Statutes, Title 29, section 2708-A, subsection 1,  
subsection 2, paragraphs A, C and D and section

2708-A, subsections 3 to 6 take effect January 1, 1993. The provisions of section 10 that enact Title 29, section 2708-A, subsection 2, paragraph B take effect on the effective date of this Act.

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect when approved, unless otherwise indicated.'

#### STATEMENT OF FACT

This amendment adds an emergency clause to bring immediate relief from the present insurance rates for operators of for-hire vehicles that work exclusively in the State. The amendment also provides for the marking of the registration of for-hire vehicles with a stamp if they carry the lower in-state insurance amount. It also clarifies the definition of taxicab, clarifies that parents and legal guardians are exempt from the combination plates requirements and repeals the cargo insurance requirements for intrastate operating authority.

Reported by the Committee on Banking and Insurance  
Reproduced and distributed under the direction of the Clerk of the House  
3/9/92 (Filing No. H-1070)