

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1993

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Legislative Document

No. 987

H.P. 728

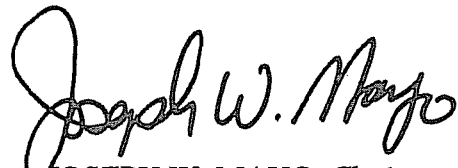
House of Representatives, March 22, 1993

**An Act Relating to Compulsory Insurance Limits for Hired Vehicles  
Used to Transport Passengers.**

(EMERGENCY)

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Reference to the Committee on Banking and Insurance suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative RAND of Portland.  
Cosponsored by Representatives: COFFMAN of Old Town, HATCH of Skowhegan,  
HOGLUND of Portland, JOSEPH of Waterville, PINEAU of Jay, RAND of Portland, TRACY  
of Rome, Senators: KIEFFER of Aroostook, McCORMICK of Kennebec.

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

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6           **Whereas,** changes in the motor vehicle insurance laws that  
were enacted in the Second Regular Session of the 115th  
8           Legislature impose inappropriately high and burdensome insurance  
premium costs upon the taxicab industry and threaten the ability  
10          of the providers of taxi service throughout the State to continue  
providing service to the communities they serve; and

12          **Whereas,** in this State, taxis serve primarily the poor, the  
elderly and the physically challenged; and

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16          **Whereas,** immediate action is necessary to prevent a  
curtailment or cessation of service in the State's communities;  
and

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

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

26                 **Sec. 1. 29 MRSA §2708-A, sub-§2, ¶B,** as enacted by PL 1991, c.  
28                 793, §11 and affected by §13, is amended to read:

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

36                         (1) Three--hundred Fifty thousand dollars, or split  
38                         limits consisting of \$20,000 per person and \$40,000 per  
40                         occurrence for bodily injury liability, and \$10,000 for  
property damage liability for vehicles with 7 or fewer  
passengers;

42                         (2) Seven hundred fifty thousand dollars for vehicles  
44                         with 8 to 15 passengers;

46                         (3) One million five hundred thousand dollars for  
vehicles with 16 to 30 passengers; and

48                         (4) Two million dollars for vehicles with 31 or more  
50                         passengers.

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**Sec. 2. Effective date.** This Act takes effect April 1, 1993.

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect April 1, 1993.

**STATEMENT OF FACT**

This bill reduces the minimum insurance requirements for vehicles with 7 or fewer passengers.