

MAINE STATE LEGISLATURE

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117th MAINE LEGISLATURE

FIRST REGULAR SESSION-1995

Legislative Document

No. 527

H.P. 392

House of Representatives, February 14, 1995

**An Act to Require Liability Insurance Carriers to Disclose to Claimants
Limits of Liability and Policy Coverage Prior to Initiation of Suit.**

Reference to the Committee on Judiciary suggested and ordered printed.

A handwritten signature in black ink that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative LaFOUNTAIN of Biddeford.
Cosponsored by Representatives: CHARTRAND of Rockland, DAVIDSON of Brunswick,
GREEN of Monmouth, JOSEPH of Waterville, LEMKE of Westbrook, McALEVEY of
Waterboro, MITCHELL of Vassalboro, MURPHY of Berwick, ROSEBUSH of East
Millinocket, TREAT of Gardiner, TRUMAN of Biddeford, WATSON of Farmingdale,
Senator: RAND of Cumberland.

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

4 **Sec. 1. 24-A MRSA §14** is enacted to read:

6 **§14. Liability insurance carrier of potential defendant required to provide claimant with limitations of liability; penalty**

8 **1. Liability insurance carrier to provide claimant with limitations of liability.** In a case in which a personal injury claimant has served a notice of claim against a potential defendant pursuant to Title 14, section 1602, subsection 1, the liability insurance carrier for the potential defendant shall provide the claimant or the claimant's agent, no later than 14 days after receipt of a written request by the claimant or the claimant's agent, with the limitations of liability in existence in the insurance agreement it has with the potential defendant.

18 **2. Penalty.** If an insurance carrier that conducts business in this State fails to comply with the provisions of this section, the claimant or the claimant's agent may enforce this section by motion in a court of competent jurisdiction and may recover the claimant's reasonable attorney's fees and costs. In addition, the insurance carrier is liable for a civil penalty of \$100 for each day it fails to comply with this section.

26 **STATEMENT OF FACT**

28 This bill requires a liability insurance carrier of a potential defendant to provide a claimant with the limitations of liability in the insurance agreement that the carrier has with the potential defendant and imposes a civil penalty of \$100 a day for each day an insurance carrier fails to provide the required information.