

MAINE STATE LEGISLATURE

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MINORITY
BANKING AND INSURANCE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
119TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 584, L.D. 824, Bill, "An Act Regarding Civil Actions Involving Insurance Coverage"

Amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

'Sec. 1. 24-A MRSA §2436-B is enacted to read:

§2436-B. Declaratory judgment actions involving insurance policies

1. Definition. For purposes of this section, "insured" means a natural person and does not include a corporation, trust, partnership, incorporated or unincorporated association or any other legal entity.

2. Costs and attorney's fees. In an action pursuant to Title 14, chapter 707 to determine an insurer's contractual duty to defend an insured under an insurance policy, if the insured prevails in such action, the insurer shall pay court costs and reasonable attorney's fees.

3. Application. This section does not apply to life, health, disability or workers' compensation insurance.

4. Construction. This section may not be construed to permit any assignment of rights by an insured to any other person

R. & S.

COMMITTEE AMENDMENT "A" to H.P. 584, L.D. 824

or to create or extend any right or cause of action for a
3rd-party claimant under an insurance policy.'

SUMMARY

This amendment is the minority report and replaces the bill. It clarifies that the bill applies only to declaratory judgment actions to determine an insurer's contractual duty to defend an insured. It defines an insured as a natural person and excludes corporations, trusts, partnerships, incorporated or unincorporated associations and other legal entities from the definition of an insured. It clarifies the intent that no right or cause of action is created or extended to 3rd-party claimants under an insurance policy and that insureds are not permitted to assign any rights under a policy to any other person. The amendment also exempts life, health, disability and workers' compensation insurance.

COMMITTEE AMENDMENT