

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

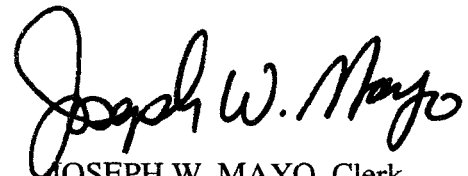
No. 824

H.P. 584

House of Representatives, January 28, 1999

An Act Regarding Civil Actions Involving Insurance Coverage.

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


JOSEPH W. MAYO, Clerk

Presented by Representative SAVAGE of Buxton.

Cosponsored by Representatives: DUNLAP of Old Town, O'NEIL of Saco, SKOGLUND of St. George, TRUE of Fryeburg, TWOMEY of Biddeford, VOLENIK of Brooklin.

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

2
4 Sec. 1. 24-A MRS §2436-B is enacted to read:

6 §2436-B. Insurance actions

8 1. Costs and attorney's fees. In any action to determine
10 coverage of an insurance policy, if the insured prevails in such
12 action, the insurer shall pay court costs and reasonable
14 attorney's fees.

16 2. Liability coverage; burden of proof. In any civil
18 action to determine coverage of a liability policy, the insurer
20 has the burden of proof concerning the coverage whether the
22 insurer, an insured or a claimant institutes the action.

24 SUMMARY

26 This bill requires insurers to pay costs and reasonable attorney's fees to the insured in any civil action to determine coverage under an insurance policy when the insurer loses the suit. The bill also requires that insurers have the burden of proof in any action to determine coverage of a liability insurance policy regardless of whenever the insurer or an insured or claimant institutes the action.