

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 898

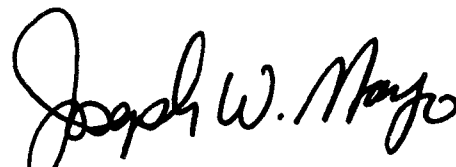
H.P. 648

House of Representatives, February 2, 1999

**An Act to Require Proof of Liquor Liability Insurance Upon Demand by
a Municipality.**

(EMERGENCY)

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative LEMOINE of Old Orchard Beach.
Cosponsored by Senator PENDLETON of Cumberland and
Representatives: BAGLEY of Machias, BOUFFARD of Lewiston, FRECHETTE of
Biddeford, GAGNON of Waterville, MAILHOT of Lewiston, O'NEIL of Saco, TUTTLE of
Sanford.

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

4
6 **Whereas,** current law does not authorize municipalities and
unincorporated places to require liquor liability insurance; and

8 **Whereas,** municipalities may not revoke licenses to sell
liquor due to lack of proof of liquor liability insurance; and

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12 **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
14 necessary for the preservation of the public peace, health and
safety; now, therefore,

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

20 **Sec. 1. 28-A MRSA §1051, sub-§2-A is enacted to read:**

22 2-A. Liquor liability insurance required. The municipal
officers of the municipality in which the applicant's premises
are located or, if the premises are located in an unincorporated
place, the commissioners of the county within which the
unincorporated place is located may make local approval for
application for the license contingent upon proof of liquor
liability insurance with minimum coverage of \$50,000 effective
for the duration of the license.

30 A. The liquor liability insurance policy must contain a
provision that requires the insurer to notify the
municipality or unincorporated place within 10 days, by
first class mail, of any lapse or change of coverage of that
policy.

36 B. The municipal officer or county commissioner shall
notify the licensee within 5 days of notification of a lapse
or change of coverage in the insurance policy indicating the
automatic revocation of the establishment's liquor license.

40 C. The licensee shall respond to the municipal officer or
county commissioner within 5 days of receiving notice of the
license revocation.

44 D. If the licensee can show proof of a new policy or give
good cause as to the reason for lapse or change of coverage,
the municipality or unincorporated place may withdraw the
license revocation.

