

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1097

H.P. 774

House of Representatives, February 9, 1999

An Act to Regulate Motor Vehicle Insurance Rates.

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

A handwritten signature in cursive script that reads "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative PLOWMAN of Hampden.
Cosponsored by Representatives: FRECHETTE of Biddeford, GERRY of Auburn,
KASPRZAK of Newport, MACK of Standish, MADORE of Augusta, THOMPSON of
Naples, TUTTLE of Sanford.

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

Sec. 1. 24-A MRSA §2303-C is enacted to read:

§2303-C. Premium increases or surcharges based on motor vehicle accidents

An insurer may not increase the premium or impose a surcharge on a motor vehicle insurance policy based on the involvement in a motor vehicle accident of the named insured or another person who operates a motor vehicle insured under the policy unless the named insured or another person who operates a motor vehicle insured under the policy is individually or aggregately involved in 2 or more motor vehicle accidents while operating a motor vehicle insured under the policy, resulting in either personal injury or property damage in excess of \$500. For purposes of this section, any of the following occurrences involving a motor vehicle operated by a named insured or such other person may not be considered an accident when:

1. Struck from rear. The motor vehicle was struck from the rear;

2. Struck while parked. The motor vehicle was struck while parked;

3. Conviction of crime or violation. Only the operator of another motor vehicle involved in the accident was convicted of a crime, offense or violation contributing to the accident; or

4. Reimbursement or judgment. The named insured or other operator of the motor vehicle insured under the policy or the insurer thereof was reimbursed by or on behalf of a person responsible for the accident or has a judgment against that person.

When more than one motor vehicle in a household is insured by the same insurer, the number of accidents that would permit an increase in premium or a surcharge under this section must, for the aggregate, be increased by one for each additional motor vehicle insured.

SUMMARY

This bill prohibits insurers from increasing the premium or imposing a surcharge on a motor vehicle insurance policy unless the named insured or another person operating a motor vehicle insured under the policy is involved in 2 or more accidents resulting in either personal injury or property damage in excess of \$500.