

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 213

S.P. 45

In Senate, January 18, 2001

An Act to Clarify Mixed Automobile Insurance.

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

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator ABROMSON of Cumberland.
Cosponsored by Representative MAYO of Bath and
Senator LaFOUNTAIN of York.

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

2 **Sec. 1. 24-A MRSA §2912, sub-§1**, as enacted by PL 1973, c.
4 339, §1, is amended to read:

6 **1. Policy.** "Policy" means an automobile insurance policy
8 providing bodily injury liability, property damage liability,
10 medical payments, uninsured motorist coverage, physical damage
12 coverage, or any combination thereof, ~~delivery delivered~~ or
14 issued for delivery in this State, insuring a single individual
or one or more related individuals resident in the same
household, as named insured and insuring vehicles of the
following types only:

16 A. Motor vehicles of the private passenger or station wagon
18 type which ~~that~~ are not used ~~as public conveyances nor~~
~~rented to others;~~

20 (1) Used as public conveyances;

22 (2) Rented to others; or

24 (3) Used primarily in the operation of the named
26 insured's business or profession without regard to the
28 trade, industry, commercial venture or business form of
30 the insured's business or profession. For purposes of
32 this subsection, "used primarily in the operation of
34 the named insured's business or profession" means
36 mileage in excess of 50% of mileage accumulated by the
38 motor vehicle in the 12 months prior to the issuance of
40 the policy, or, if initiating coverage with respect to
42 a motor vehicle not otherwise declared in the policy,
mileage projected to exceed 50% of the annual
cumulative mileage in the 12 months following issuance
of the policy. A motor vehicle of a type otherwise
subject to this subsection that has previously been
used primarily in the operation of the named insured's
business or profession must be defined as a private
passenger motor vehicle if the named insured declares
and documents that the motor vehicle is not currently
being used primarily in the operation of the named
insured's business or profession; and

44 B. Any other 4-wheel motor vehicles with a load capacity of
46 1,500 pounds or less which are not used in the business or
48 professions of the insured.

SUMMARY

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4 This bill clarifies the definition of a personal automobile
insurance policy. It sets a threshold for determining whether a
6 motor vehicle qualifies as a private passenger vehicle or a
vehicle used primarily in the operation of a business or
profession.