

# MAINE STATE LEGISLATURE

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# 120th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2001

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Legislative Document

No. 1035

H.P. 791

House of Representatives, February 20, 2001

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

(EMERGENCY)

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

*Millicent M. MacFarland*

MILLICENT M. MacFARLAND, Clerk

Presented by Representative LEMOINE of Old Orchard Beach.  
Cosponsored by Senator GAGNON of Kennebec and  
Representatives: BULL of Freeport, LaVERDIERE of Wilton, MITCHELL of Vassalboro,  
QUINT of Portland, Senator: LEMONT of York.

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

10  
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  
24 place, the commissioners of the county within which the  
unincorporated place is located may make local approval for  
26 application for the license contingent upon proof of liquor  
liability insurance with minimum coverage of \$50,000 effective  
28 for the duration of the license.

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

36           B. The municipal officer or county commissioner shall  
notify the licensee within 5 days of notification of a lapse  
38 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  
42 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,  
46 the municipality or unincorporated place may withdraw the  
license revocation.

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