MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1048

H.P. 739

House of Representatives, March 14, 2013

Resolve, To Study the Effect of Insufficient Automobile Insurance Coverage

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millient M. Macfarland MILLICENT M. MacFARLAND Clerk

Presented by Representative BERRY of Bowdoinham. Cosponsored by Representatives: BEAUDOIN of Biddeford, COOPER of Yarmouth, MORRISON of South Portland, Senator: GRATWICK of Penobscot.

| 1 2 | Preamble. Whereas, the State requires that each vehicle registered in the State carry a minimum amount of liability insurance; and |
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| 3 4 | Whereas, health insurance costs and costs of automobile repairs have risen dramatically in the past decade; and |
| 5 6 | Whereas, increasingly, motorists do not have sufficient liability insurance available to cover the damages resulting from automobile accidents; and |
| 7 8 | Whereas, some of these excess costs are being paid by the innocent victims of these accidents; and |
| 9 10 | Whereas, some of these excess costs are being absorbed by health care providers; and |
| 11 12 | Whereas, some of these excess costs are being paid by the MaineCare program and are unrecoverable; now, therefore, be it |
| 13 14 15 16 17 18 | Sec. 1. Bureau of Insurance authorized to study. Resolved: That the Department of Professional and Financial Regulation, Bureau of Insurance, referred to in this resolve as "the bureau," is directed to study the current minimum automobile insurance coverage required in the State and determine the frequency and extent of claims by motorists with insufficient insurance coverage and the resulting effects on victims, health care providers and the State; and be it further |
| 19 20 21 | Sec. 2. Increasing minimum coverage. Resolved: That, as part of the study under section 1, the bureau shall determine the expected costs and effects of increasing minimum automobile insurance coverage; and be it further |
| 22 23 24 25 | Sec. 3. Participation. Resolved: That the bureau shall invite the participation of the Maine Trial Lawyers Association, members of the insurance industry, health care providers and other interested parties in conducting the study under section 1; and be it further |
| 26 27 28 29 30 | Sec. 4. Reporting date established. Resolved: That the bureau shall report its findings pursuant to this resolve, including proposed legislation, to the Joint Standing Committee on Insurance and Financial Services by February 1, 2014. The joint standing committee is authorized to introduce a bill related to the report to the Second Regular Session of the 126th Legislature. |
| 31 | SUMMARY |
| 32 33 34 35 36 37 | This resolve directs the Department of Professional and Financial Regulation, Bureau of Insurance to study the current minimum automobile insurance coverage and determine the frequency and extent of claims by motorists with insufficient automobile insurance coverage and the resulting effects on victims, health care providers and the State. The bureau is also required to determine expected costs and effects of increasing minimum automobile insurance coverage, and invite input from the Maine Trial Lawyers |

- Association, members of the insurance industry, health care providers and other interested parties. The bureau is directed to report to the Joint Standing Committee on Insurance and Financial Services, which is authorized to introduce a bill related to the 1
- 2
- 3
- 4 report.