



131st MAINE LEGISLATURE

FIRST REGULAR SESSION-2023

Legislative Document

No. 1004

H.P. 640

House of Representatives, March 7, 2023

**An Act to Allow a Qualifying Religious Organization to Self-insure
for Automobile Insurance**

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative FOSTER of Dexter.
Cosponsored by Representative: MORRIS of Turner, Senator: GUERIN of Penobscot.

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

2 **Sec. 1. 29-A MRSA §1613** is enacted to read:

3 **§1613. Self-insurance permitted for certain religious organizations**

4 Notwithstanding any other provision of this Title, the Secretary of State may grant an
5 exemption from any provision of this subchapter for any motor vehicle owned or operated
6 by a religious organization or its members subject to the following minimum requirements.

7 **1. Qualifying religious organization.** In order to be eligible to self-insure under this
8 section, a religious organization must demonstrate with documentation to the satisfaction
9 of the Secretary of State that:

10 A. The religious organization has established tenets and faith-based teachings and has
11 been in existence continuously since December 31, 1950;

12 B. The religious organization and its members operate 5 or more motor vehicles in this
13 State that are owned or leased by the religious organization or one of its members;

14 C. The religious organization and its members hold a common belief in mutual
15 financial assistance in time of need to the extent that they share in financial obligations
16 of members who would otherwise not be able to meet their obligations;

17 D. The religious organization and its members have met all of their responsibilities for
18 financial responsibility under this subchapter for the 2 years preceding its application
19 to self-insure under this section;

20 E. The religious organization is financially solvent and not subject to any actions of
21 bankruptcy, trusteeship, receivership or any other court proceedings in which the
22 financial solvency of the religious organization is at issue;

23 F. The religious organization and its members are not subject to any judgements arising
24 out of the operation, maintenance or use of a motor vehicle that have remained
25 unsatisfied for more than 30 days after final judgement was issued;

26 G. There are no factors causing the Secretary of State to believe that the religious
27 organization and its members do not have the financial ability to pay any future
28 judgements against them; and

29 H. The religious organization and its members meet any other requirements prescribed
30 in rules adopted in accordance with this section.

31 **2. Requirements for self-insurance.** Upon application, the religious organization
32 shall file with the Secretary of State satisfactory proof using the methods permitted under
33 section 1605, subsections 3 and 4 that the religious organization meets the following
34 minimum requirements:

35 A. For 5 to 10 vehicles, there is a combined single limit of \$250,000; and

36 B. For more than 10 vehicles, there is an increase of \$1,000 per motor vehicle up to a
37 maximum combined single limit of \$300,000.

38 **3. Issuance of certificate of self-insurance.** Upon demonstration that a religious
39 organization has met the requirements of subsections 1 and 2, the Secretary of State shall
40 issue a certificate of self-insurance to the religious organization. The certificate of self-
41 insurance serves as evidence of financial responsibility required by section 1605.

1 subsection 2. Any member of the religious organization may provide the certificate of self-
2 insurance as evidence of financial responsibility required by section 1605, subsection 2 to
3 register a motor vehicle owned or operated by that member.

4 **4. Notice of withdrawal.** A religious organization granted a certificate of self-
5 insurance under this section shall notify the Secretary of State in writing if any member of
6 the religious organization ceases to be a member within 10 days of that member's departure
7 or removal from the religious organization.

8 **5. Termination of self-insurance.** The Secretary of State may:

9 A. At any time after granting a certificate of self-insurance, terminate the authorization
10 for self-insurance if the secretary determines that the religious organization no longer
11 meets the requirements for self-insurance under this section. Notice of the termination
12 must be provided to the religious organization in writing at least 30 days prior to the
13 termination of the authorization; and

14 B. Terminate the authorization for self-insurance if the religious organization or its
15 members are subject to a judgement arising out of the operation, maintenance or use of
16 a motor vehicle and that judgement has remained unsatisfied for more than 30 days
17 after the final judgement was issued. The Secretary of State may hold deposited money
18 or securities until the judgement is satisfied.

19 **6. Rules.** The Secretary of State may adopt rules as necessary to implement the
20 requirements of this section. Rules adopted pursuant to this subsection are routine technical
21 rules as defined in Title 5, chapter 375, subchapter 2-A.

22 **7. Applicability.** A certificate of self-insurance granted by the Secretary of State
23 pursuant to this section does not apply to:

24 A. A motor vehicle with a registered gross weight of 26,001 pounds or more or a motor
25 vehicle requiring its operator to hold a commercial driver's license;

26 B. An emergency vehicle;

27 C. A for-hire transportation vehicle for transporting freight or merchandise;

28 D. A for-hire transportation vehicle for transporting passengers;

29 E. A school bus; or

30 F. A rental vehicle.

31 SUMMARY

32 This bill provides authorization for qualifying religious organizations to satisfy the
33 requirements for financial responsibility to operate a motor vehicle registered in this State
34 through self-insurance. The bill sets forth the requirements that must be met before the
35 Secretary of State may grant a certificate of self-insurance to a religious organization and
36 its members. This bill authorizes a member of the qualifying religious organization to
37 provide that certificate of self-insurance as evidence of financial responsibility to register
38 a motor vehicle owned or operated by that member.