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An Act To Clarify Uninsured Vehicle Coverage for Multiple Claimants

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

Sec. 1. 24-A MRSA §2902, sub-§6, as enacted by PL 1999, c. 663, §2 and affected by §4, is amended to read:

6. When 2 or more persons are legally entitled to recover damages from a particular owner or operator of an underinsured motor vehicle, the amount of underinsured vehicle coverage applicable to each injured person is determined by subtracting any payments actually made to the injured person from any bodily injury liability insurance coverage applicable to the particular owner or operator of the underinsured motor vehicle from the injured person's, operator's or owner's underinsured vehicle coverage policy limits if applicable to that person. In the event that an underinsured vehicle policy applicable to 2 or more claimants contains a single per accident limit, the amount of underinsured vehicle coverage available to each claimant must be calculated by deducting any payment received from the owner or operator of the underinsured motor vehicle from that single limit. In no event may the maximum amount payable by the insurer to all claimants exceed the single limit. The amount of underinsured motor vehicle coverage must be further reduced by the amount by which the bodily injury liability insurance coverage applicable to the particular owner or operator of the underinsured motor vehicle exceeds all payments from that coverage to all persons legally entitled to recover damages from that particular owner or operator of the underinsured motor vehicle. This subsection does not prohibit an insurer from providing greater amounts of underinsured vehicle coverage than are required under this section.

SUMMARY

This bill provides that in the event that an underinsured vehicle policy applicable to 2 or more claimants contains a single per accident limit, the amount of underinsured vehicle coverage available to each claimant must be calculated by deducting any payment received from the owner or operator of the underinsured motor vehicle from that single limit. In no event may the maximum amount payable by the insurer to all claimants exceed that limit.