

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act Regarding Uninsured Vehicle Coverage

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

Sec. 1. 24-A MRSA §2902, sub-§1, as amended by PL 2005, c. 591, §1, is further amended to read:

1. A policy insuring against liability arising out of the ownership, maintenance or use of any motor vehicle may not be delivered or issued for delivery in this State with respect to any such vehicle registered or principally garaged in this State, unless coverage is provided in the policy or supplemental to the policy for the protection of persons insured under the policy who are legally entitled to recover damages from owners or operators of uninsured, underinsured or hit-and-run motor vehicles, for bodily injury, sickness or disease, including death, sustained by an insured person resulting from the ownership, maintenance or use of such uninsured, underinsured or hit-and-run motor vehicle. The coverage required by this section may be referred to as "uninsured vehicle coverage." For the purposes of this section, "underinsured motor vehicle" means a motor vehicle for which coverage is provided, but in amounts less than the minimum limits for bodily injury liability insurance provided for under the motorist's financial responsibility laws of this State or less than the limits of the injured party's uninsured vehicle coverage. For the purposes of this section, an umbrella or excess policy that provides excess limits to a policy described in Title 29-A, section 1605 must also provide uninsured vehicle coverage equal to the limits of liability purchased, unless the named insured rejects such coverage in writing. Rejection of such coverage by a named insured constitutes a rejection of coverage by all insureds under the policy, applies to all persons and vehicles then or thereafter eligible to be covered under the policy and remains effective upon policy amendment or renewal, unless the named insured requests such coverage in writing.

Sec. 2. 24-A MRSA §2902, sub-§8 is enacted to read:

8. A document tendered to settle a claim for bodily injury that may be the subject of coverage under this section must prominently contain the following language, which must be read and signed by the releasing party or parties:

"WARNING

IF YOU SIGN THIS RELEASE YOU MAY FORFEIT YOUR RIGHT TO UNINSURED VEHICLE INSURANCE BENEFITS FROM YOUR OWN AUTOMOBILE INSURANCE POLICY, UMBRELLA POLICY OR OTHER EXCESS INSURANCE POLICY. CONSULT WITH YOUR INSURANCE AGENT, YOUR INSURANCE COMPANY AND/OR YOUR ATTORNEY BEFORE SIGNING.

I certify that I have read the above warning and fully understand it."

SUMMARY

This bill explicitly provides that the laws governing uninsured vehicle coverage apply to umbrella policies and excess policies. It also requires that documents tendered to settle a claim for bodily injury that may be the subject of coverage under the laws governing uninsured vehicle coverage contain a warning to ensure that persons settling bodily injury claims understand that by signing a release they may be giving up their right to uninsured vehicle insurance benefits from other sources, including their own insurance companies.