



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 295

H.P. 239

House of Representatives, February 3, 2011

**An Act To Require Insurance Companies To Disclose the Option To
Purchase Higher Amounts of Coverage for Automobile Liability
Insurance**

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

A handwritten signature in cursive script, reading 'Heather J.R. Priest'.

HEATHER J.R. PRIEST
Clerk

Presented by Representative BOLAND of Sanford.
Cosponsored by Senator BARTLETT of Cumberland and
Representatives: BEAVERS of South Berwick, BOLDUC of Auburn, GOODE of Bangor,
HINCK of Portland, PICCHIOTTI of Fairfield, TREAT of Hallowell, Senators: HASTINGS of
Oxford, PATRICK of Oxford.

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

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

4 2. With respect to motor vehicle insurance policies subject to the Maine Automobile
5 Insurance Cancellation Control Act and policies in the assigned risk plan established
6 pursuant to section 2325 securing private passenger auto insurance coverage, the amount
7 of uninsured vehicle coverage ~~to be so provided~~ may not be less than the amount of
8 coverage for liability for bodily injury or death in the policy offered or sold to a purchaser
9 unless the purchaser expressly rejects such an amount, but in any event may not be less
10 than the minimum limits for bodily injury liability insurance provided for under Title
11 29-A, section 1605, subsection 1.

12 A rejection of equal coverage by the purchaser under this subsection must be in writing
13 on a form provided by the insurer. The rejection must be signed by the purchaser, dated
14 and include the following language: "I understand that Maine law requires uninsured
15 motor vehicle coverage limits to equal the limits I have selected for liability coverage for
16 bodily injury or death in this policy unless I expressly reject such an amount of coverage.
17 Pursuant to the Maine Revised Statutes, Title 24-A, section 2902, subsection 2, I have
18 elected to purchase uninsured motor vehicle coverage with lesser limits."

19 For coverage purchased on or after October 1, 2000, the form must be provided to the
20 purchaser prior to the effective date of coverage. For renewal policies in force as of
21 September 30, 2000, the form must be provided upon the first offer of renewal to each
22 purchaser who has current coverage limits less than those required under this subsection.
23 To be effective, a form must be signed by any one named insured under the policy. If a
24 signed form rejecting higher coverage is not received by the insurer prior to the effective
25 date of the policy to which it applies, then the higher coverage must be provided
26 consistent with this subsection from the policy issuance date for coverage purchased on
27 or after October 1, 2000 and from the effective date of the first renewal on or after
28 October 1, 2000 for policies in force as of September 30, 2000.

29 This subsection may not be construed to prohibit an insured from prospectively changing
30 coverage to alternative limits of uninsured motor vehicle coverage so long as a signed
31 form, if necessary, is submitted to the insurer prior to the effective date of the change. If
32 an insured has maintained the same uninsured vehicle coverage limits for 2 consecutive
33 years with the same insurer, then the insured will be conclusively presumed to have
34 accepted that amount of uninsured coverage in all future policies, until such time as the
35 insured notifies the insurer in writing of an election to change the amount of uninsured
36 coverage.

37 Reinstatement or renewal of coverage by the insured with the same insurer within 30 days
38 of expiration of a policy must be considered, for purposes of this section, as continuous
39 coverage and does not require a new rejection to be executed by the insured.

40 With respect to motor vehicle insurance policies not subject to the Maine Automobile
41 Insurance Cancellation Control Act, the amount of coverage so provided may not be less
42 than the minimum limits for bodily injury liability insurance provided for under Title
43 29-A, section 1605, subsection 1.

