



STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL & FINANCIAL REGULATION  
BUREAU OF INSURANCE



Janet T. Mills  
Governor

Robert L. Carey  
Superintendent

Joan F. Cohen  
Commissioner

March 27, 2025

Senator Tim Nangle, Senate Chair  
Representative Lydia Crafts, House Chair  
Joint Standing Committee on Transportation  
100 State House Station  
Augusta, ME 04333-0100

Re: L.D. 557, "An Act to Allow All-terrain Vehicles to Be Used on a Public Way"

Dear Senator Nangle, Representative Crafts, and Members of the Committee:

The Maine Bureau of Insurance takes no position on L.D. 557, "An Act to Allow All-terrain Vehicles to Be Used on a Public Way." I am writing to provide information on how this bill would impact all-terrain vehicle ("ATV") insurance policies and insurance rates (or premiums) in Maine.

At present, ATVs may be operated on public ways but only for a distance that does not exceed 500 yards. If this bill were to pass, certain ATVs, subject to certain requirements, would be allowed to operate on public ways beyond the current 500-yard restriction.

The rates that are currently charged by insurance companies for ATV insurance are based, in part, on the fact that these vehicles are primarily designed for off-road use. A change to the law that would allow operation of ATVs on public ways would likely result in an increase in the number of claims and severity of losses. This would lead to increased rates charged by insurance companies for ATV insurance.

In addition, the broad definition for all-terrain vehicle in the proposed legislation includes vehicles that are specifically excluded in some ATV insurance policies, such as amphibious vehicles. Definitions in existing ATV policies may also indicate that these types of vehicles are not licensed for use on public roads or are not subject to motor vehicle registration. Companies that offer ATV insurance will be required to file changes to contract language and rates with the Bureau of Insurance.

I hope this information is useful to the Committee. Please do not hesitate to contact the Bureau of Insurance if you have any questions or need additional information.

Sincerely,

Robert L. Carey  
Superintendent

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