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Testimony on

L.D. 1401, "An Act to Repeal the Provisions of Law Requiring Motor Vehicle Liability Insurance Policies to Cover the Cost of Towing and Storing Certain Vehicles"

**Presented by
Representative Robert A. Foley
District 145**

Health Coverage, Insurance, and Financial Services Committee
Thursday, April 17, 2025

Good afternoon, Senator Bailey, Representative Mathieson, and fellow members of the Joint Standing Committee on Health Coverage, Insurance, and Financial Services:

I am State Representative Bob Foley, and I represent the citizens of District 145, which is most of the Town of Wells. I'm here today to introduce L.D. 1220, "*An Act to Repeal the Provisions of Law Requiring Motor Vehicle Liability Insurance Policies to Cover the Cost of Towing and Storing Certain Vehicles*," on behalf of Representative Josh Morris.

The law that this bill is attempting to repeal is a law that rewards a few businesses at the expense of thousands of Maine residents. The coverage that this law provides comes at the cost to those Mainers who can least afford it -- young people purchasing only liability coverage. This coverage can run up to \$100 more per vehicle. Young, single drivers already pay the highest premiums in the State, and this just adds on more costs to those who can afford it least. Towing companies are businesses that can charge for their services. The State should not be in the practice of subsidizing a few businesses.

Individuals who carry full coverage, collision and comprehensive, along with liability, already have towing and storage coverage in the event of an accident. However, including this coverage at a \$500 limit has also increased those individuals' premiums.

With the increased costs of automobiles and auto parts, this has already contributed to increases in the insurance premiums here and across the country. Adding additional mandatory coverages that do not benefit the public as a whole, but only a few businesses, is not good public insurance policy.

The Bureau of Insurance rightfully opposed this bill last year for all the right reasons. I quote from that testimony, "*Maine's auto insurance has been among the most affordable in the nation. Maine's generally affordable auto insurance prices likely contribute to Maine's low rate of uninsured drivers. We are concerned that the added costs from this proposal will harm Maine's currently affordable personal auto insurance market.*"

They were right.

Please, let's return Maine's auto insurance premium back to a cost that all Mainer's can afford.

Thank you for your time and consideration.