

LD 1011, An Act To Include Excluded Individuals on Insurance Cards

SUMMARY:

This bill requires that an insurance policy used as evidence of insurance or financial responsibility under the motor vehicle laws list any person explicitly excluded from the insurance policy.

CURRENT LAW:

Under current law, an operator or owner of a motor vehicle registered in this State is required to maintain the minimum amounts of motor vehicle financial responsibility. When a law enforcement officer stops an operator for a moving violation or the operator is involved in an accident that must be reported, the officer shall request the operator to produce evidence of liability insurance or financial responsibility. See [29-A MRS Section 1601](#).

TESTIMONY: Written testimony can be found at this [link](#)

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ISSUES FOR CONSIDERATION:

1. The sponsor suggested that bill be amended to require this information to be provided on insurance cards issued by insurers beginning January 1, 2022 to allow time to update processes to comply with the requirement.
2. Is this necessary? What are administrative costs? These situations do not occur on regular basis. Representative of Maine Association of Insurance Companies indicated one member insurer will list exclusion on card only evidence of other insurance for that excluded individual is provided
3. Who does this benefit? Insureds? Law enforcement?
4. What are consequences for insurer if name not listed in error? Current law (see section 1601, subsection 8) provides that an insurance producer, broker or agency may not be held liable for an inaccurate insurance identification card if the card was issued based on information contained in the records of that person or was issued based on false or misleading statements made by the insured.
5. If move forward, consider amending language to specify that exclusion of coverage of a particular individual is made by endorsement?

FISCAL INFORMATION:

Not yet determined