



# HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0002  
(207) 287-1440  
TTY: (207) 287-4469

## Steven D. Foster

56 Silvers Mills Rd.  
Dexter, ME 04930  
Residence: (207) 924-4409  
[Steven.Foster@legislature.maine.gov](mailto:Steven.Foster@legislature.maine.gov)

April 1, 2021

Testimony in support of:

### ***LD1063, "An Act to Allow a Qualifying Religious Organization to Self-insure for Automobile Insurance"***

Joint Standing Committee on Health Coverage, Insurance, and Financial Services

Senator Sanborn, Representative Tepler, and distinguished members of the Committee on Health Coverage, Insurance, and Financial Services. I'm Steve Foster, State Representative for House District 104, which includes the towns of Charleston, Dexter, Exeter, Garland, and Stetson. I stand before you today to present LD1063, "An Act to Allow a Qualifying Religious Organization to Self-insure for Automobile Insurance" and ask for your support.

Members of a local Mennonite church came to me during the 129<sup>th</sup> Legislature looking for relief from the requirement to purchase commercially available auto insurance by becoming self-insured. Current Maine statute allows any person or group to self-insure, but requires they provide proof of financial responsibility of up to \$175,000 for each insured vehicle. LD1063 would allow a qualifying group to self-insure multiple vehicles starting at this amount, with increases depending on the total number of vehicles covered. As drafted, this bill introduces language and requirements similar to current statute in several other states including: Georgia, Illinois, North Carolina, Kentucky, Maryland, Wyoming, Pennsylvania, Tennessee, and Ohio.

Mennonites attempt to stay from "under the yoke" of the government or insurance companies, believing they are to provide for their own. Self-insurance laws in some of the states mentioned include language that they must meet the federal requirements under section 1402(g) of the Internal Revenue Code, exempting them from participating in the Federal Social Security or Medicare programs, showing their true conviction to self-reliance. I did not include this requirement in LD1063, but would be fine with doing so. I have included the federal document with this testimony.

As is the case in many other states, this legislation would require proof of financial responsibility to the Secretary of State. This bill sets the bounds for certain financial obligations, including financial solvency, previous financial responsibility, and prompt payment of any judgements. It includes restrictions and permissions which hold to current Maine motor vehicle law, with minimums that must be met prior to the Secretary of State granting a Certificate of Self-insurance. It is written with more restrictive language than many of the other states allowing a similar opportunity.

The number of Mennonites in Maine is low compared to other regions of the country. The members of the local group in central Maine currently own about 15 vehicles. Members of another group in Brownfield own up to 70 vehicles. I'm not aware of others, but the number of Mennonites relocating to Maine from other states continues to grow. In the communities where they settle, they are recognized for their honesty, hard work, integrity, and self-reliance. They are good neighbors who care for their families, keep up their properties, and improve their farm land. They pay their taxes and provide for others in need while asking for no help from the government. Their conviction to provide for their own financially expands beyond their local group to others in Maine and beyond when needed.

LD1063 will bring Maine into alignment with several other states where similar language has been in statute for many years. It will allow those settling in Maine from those states the opportunity to continue to follow their convictions, while meeting the financial responsibility required of all Maine citizens sharing our highways and byways. I anticipate it will have little if any fiscal note and should add no financial cost or risk to Maine taxpayers.

Since submitting this bill, I learned of LD368 submitted by the Secretary of State, which you heard earlier today. Both former Secretary Dunlap and Secretary Bellows met with my constituents regarding their situation and discussed the same with me. We appreciate their time and work on this matter. I certainly would be interested in working with Secretary Bellow's office to see if it's possible to modify either bill to accommodate the needs of this group, other entities that may have interest in self-insuring, and the State of Maine.

I ask that you consider LD1063 alongside LD368 and thank you for your time. I'd be happy to answer any questions you may have and will be available for the work session.

Sincerely,  
Rep. Steven Foster

SOCIAL SECURITY ADMINISTRATION

Office of Income Security Programs  
Office of Earnings and Program Integrity Policy

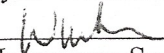
Findings Under Section 1402(g) of the Internal Revenue Code  
As to a Religious Sect or Division thereof

Name of Sect	Code
Little Flock Mennonite Churches Plain Christian Fellowship 229 Newport Rd. Corinna, ME. 04928	1925

On the basis of evidence furnished by the authorized spokesperson for the subject congregation, including the completed Form SSA-1458 certification, it is found that this congregation is a recognized religious group that:

- (1) Has been in existence at all times since December 31, 1950; and
- (2) Has established tenets and teachings by reason of which members are conscientiously opposed to the acceptance of the benefits of any private or public insurance which makes payment in the event of death, disability, old age, or retirement or makes payments towards the cost of, or provide services for medical care (including the benefits of any insurance system established by the Social Security Act); and
- (3) Has as a practice at all times since December 31, 1950, made provision for its dependent members in a manner that is reasonable in view of their general level of living.

Approved by:  
Wayne Williamson

  
Social Insurance Specialist  
OISP OEEMP

4/29/15  
Date