

# MAINE STATE LEGISLATURE

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N I N E T Y - S E V E N T H   L E G I S L A T U R E

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**Legislative Document**

**No. 1183**

S. P. 408

In Senate, March 2, 1955.

Referred to Committee on Judiciary. Sent down for concurrence and ordered printed.

CHESTER T. WINSLOW, Secretary.

Presented by Senator Reid of Kennebec.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-FIVE

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**AN ACT Amending the Financial Responsibility Law.**

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

**Sec. 1. R. S., c. 22, § 75, sub-§ I, §§ G and H, amended.** Paragraphs G and H of subsection I of section 75 of chapter 22 of the revised statutes are hereby amended to read as follows:

**'G.** "Motor Vehicle Liability Policy," a policy of liability insurance **certified as proof of financial responsibility in accordance with section 81, and** which provides indemnity for or protection to the insured and any person responsible to him for the operation of the insured's motor vehicle, trailer, or semi-trailer who has obtained possession or control thereof with his express or implied consent, against loss by reason of the liability to pay damage to others for damage to property, except property of others in charge of the insured or his employees, or bodily injuries, including death at any time resulting therefrom, accidentally sustained during the term of said policy by any person, other than the insured or employees of the insured actually operating the motor vehicle or of such other person responsible as aforesaid who are entitled to payments or benefits under the provisions of any workmen's compensation act, arising out of the ownership, operation, maintenance, control or use within the limits of the United States of America or the Dominion of Canada of such motor vehicle, trailer or semi-trailer, to the amount or limit of ~~at least~~ \$10,000 on account of injury to or death of any one person, and subject to such limits as respects injury to or death of one person, of ~~at least~~ \$20,000 on account of any one accident resulting in injury to or death of more than one person, and of ~~at least~~ \$5,000 for damage to property of others, as

herein provided, or a binder pending the issue of such policy ~~or an indorsement to an existing policy, as defined in subsections I, II, and IV of section 80.~~

**'H. "Motor Vehicle Liability Bond," a bond certified as proof of financial responsibility in accordance with section 81, and conforming to the provisions of subsection III of section 80 and conditioned that the obligor shall within 30 days after the rendition thereof satisfy all judgments rendered against him or against any person responsible to him for the operation of the obligor's motor vehicle, trailer or semi-trailer who has obtained possession or control thereof with his express or implied consent, in actions to recover damages for damage to property of others or bodily injuries, including death at any time resulting therefrom, accidentally sustained during the term of said bond by any person other than the insured employees of the obligor actually operating the motor vehicle or of such other person responsible as aforesaid who are entitled to payments or benefits under the provisions of any workmen's compensation act, arising out of the ownership, operation, maintenance, control or use within the limits of the United States of America or the Dominion of Canada of such motor vehicle, trailer or semi-trailer, to the amount or limit of ~~at least~~ \$5,000 on account of damage to property and ~~at least~~ \$10,000 on account of injury to or death of any one person, and subject to such limits as respects injury to or death of one person, ~~at least~~ \$20,000 on account of any one accident resulting in injury to or death of more than one person.'**

**Sec. 2. R. S., c. 22, § 77, sub-§ II, ¶ D, amended.** Paragraph D of subsection II of section 77 of chapter 22 of the revised statutes is hereby amended to read as follows:

**'D. Upon receipt of notice from the secretary which contains information that ~~a motor vehicle~~ an automobile liability policy was carried at the time of the accident, or that the liability of the owner or operator for damages resulting from the accident was covered by any other form of insurance or bond, the insurance carrier shall within 15 days notify the secretary in such manner as he may require in case such policy or bond was not in effect at the time of such accident. Where erroneous information with respect to the existence of insurance or other exceptions specified in this section is furnished to the secretary, he shall take appropriate action as above provided after the receipt by him of correct information with respect to such coverage or other exceptions.'**

**Sec. 3. R. S., c. 22, § 77, sub-§ V, ¶¶ E and F, amended.** Paragraphs E and F of subsection V of section 77 of chapter 22 of the revised statutes are hereby amended to read as follows:

**'E. To any person involved in an accident while operating a motor vehicle licensed by the Public Utilities Commission of this State ~~or while operating a motor vehicle, trailer or semi-trailer covered by a motor vehicle liability~~ ~~tor shall maintain proof of financial responsibility in the future as provided in section 81. The secretary of state may issue a restricted license to operate a motor vehicle to such operator.'~~**

'F. To the owner or licensed operator of a motor vehicle, trailer or semi-trailer involved in an accident ~~if the said motor vehicle, trailer or semi-trailer at the time of the accident was insured by the owner thereof under a motor vehicle liability policy as defined by this chapter~~ if such owner had in effect at the time of such accident an automobile liability policy with respect to the motor vehicle, trailer or semi-trailer involved in such accident; nor to such operator, if not the owner of such motor vehicle, trailer or semi-trailer if there was in effect at the time of such accident an automobile liability policy or bond with respect to his operation of motor vehicles not owned by him; nor to such operator or owner if the liability of such operator or owner for damages resulting from such accident is, in the judgment of the secretary, covered by any other form of liability insurance policy or bond; provided that no such policy or bond shall be effective under this section unless issued by an insurance company or surety company authorized to do business in this State, except that if such motor vehicle, trailer or semi-trailer was not registered in this State, or was a motor vehicle, trailer or semi-trailer which was registered elsewhere than in this State at the effective date of the policy or bond, or the most recent renewal thereof, such policy or bond shall not be effective under this section unless the insurance company or surety company if not authorized to do business in this State shall execute a power of attorney authorizing the secretary to accept service on its behalf of notice or process in any action upon such policy or bond arising out of such accident; provided, however, every such policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than \$10,000 because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, to a limit of not less than \$20,000 because of bodily injury to or death of two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of not less than \$5,000 because of injury to or destruction of property of others in any one accident.'

Sec. 4. R. S., c. 22, § 80, sub-§ I, amended. Subsection I of section 80 of chapter 22 of the revised statutes is hereby amended to read as follows:

**'Sec. 80. Motor vehicle liability policy; bonds.**

**I. Policy form.** No motor vehicle liability policy, as defined in section 75, shall be ~~issued or delivered in the state~~ **certified as proof of financial responsibility in accordance with section 81** until a copy of the form of the policy has been on file with the Insurance Commissioner for at least 30 days, unless, before the expiration of said period, said Insurance Commissioner shall have approved the form of the policy in writing, nor if said Insurance Commissioner notifies the company in writing that, in his opinion, the form of said policy does not comply with the laws of the State, provided that he shall notify the company in writing within said period of his approval or disapproval thereof. Said Insurance Commissioner shall approve a form of policy which contains the name and address of the insured, a description of the motor vehicles and trailers or semi-trailers covered, with the premium charges therefor, the policy period, the limits of liability and an agreement

that insurance is provided in accordance with and subject to the provisions of sections 75 to 82, inclusive.'

**Sec. 5. R. S., c. 22, § 80, sub-§ II, amended.** The first sentence of subsection II of section 80 of chapter 22 of the revised statutes is hereby amended to read as follows:

'A motor vehicle liability policy **certified as proof of financial responsibility in accordance with section 81** shall be subject to the following provisions which need not be contained therein:'

**Sec. 6. R. S., c. 22, § 80, sub-§ IV, amended.** Subsection IV of section 80 of chapter 22 of the revised statutes is hereby amended to read as follows:

**IV. Prohibition.** No motor vehicle liability policy other than that defined in section 75 shall be ~~issued or delivered in this state~~ **certified as proof of financial responsibility in accordance with section 81** by any authorized insurance company, except that such an authorized insurance company may ~~issue and deliver~~ **certify** what is known as a standard automobile liability policy containing an agreement that insurance is provided in accordance with and subject to the provisions by having attached thereto an endorsement meeting the requirements of sections 75 to 82, inclusive, which agreement has been approved by the Insurance Commissioner. ~~such endorsement to be in such form as the insurance commissioner shall prescribe and to be known as the Maine statutory motor vehicle liability policy endorsement. The insurance commissioner shall approve only such policy, endorsements and binders as shall meet the requirements of sections 75 to 82, inclusive.~~

**Sec. 7. R. S., c. 22, § 81, sub-§ VII, amended.** Subsection VII of section 81 of chapter 22 of the revised statutes is hereby amended to read as follows:

**VII. Operating without giving proof.** Any person whose operator's license or registration certificates or other privilege to operate a motor vehicle, trailer or semi-trailer has been suspended or revoked, restoration thereof or the issuance of a new license or registration being contingent upon the furnishing of security ~~of or~~ proof of financial responsibility, and who during such suspension or revocation or in the absence of full authorization from the secretary shall drive any motor vehicle, trailer or semi-trailer upon any highway or knowingly permits any motor vehicle, trailer or semi-trailer owned by such person to be operated by another upon any highway, except as permitted under the provisions of sections 75 to 82, inclusive, shall be punished by imprisonment for not more than 6 months, or by a fine of not more than \$500, or by both such fine and imprisonment. **Where any person is required under sections 75 to 82, inclusive, to maintain proof of financial responsibility the Secretary of State may issue a restricted license to such person, authorizing the operation of any motor vehicle, trailer or semi-trailer so long as the owner thereof shall maintain proof of financial responsibility.'**