CHAPTER 13

FINANCIAL RESPONSIBILITY AND INSURANCE

SUBCHAPTER 1

GENERAL PROVISIONS

§1551. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

1. Certificate. "Certificate" means the certificate of an insurance company or a surety company authorized to transact business in this State under Title 24-A that certifies that the company has issued a motor vehicle liability policy covering the vehicle involved in the accident.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Conviction. "Conviction" means conviction, adjudication or judgment, and includes but is not limited to a forfeiture of bail or collateral deposited to secure a defendant's appearance in court, on a charge of violating a motor vehicle law that has not been vacated.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

3. Evidence of insurance. "Evidence of insurance" means:

A. A motor vehicle insurance identification card; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. A motor vehicle liability insurance policy or binder issued pending the issuance of the actual policy or insurance identification card. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

4. Insurance identification card. "Insurance identification card" means an identification of insurance in paper or electronic form issued to an insured by an insurer pursuant to Title 24-A, section 2412, subsection 7; or an identification of proof of financial responsibility in paper or electronic form issued by the Secretary of State to a person who elects to provide proof of financial responsibility in accordance with section 1605.
[PL 2013, c. 72, §3 (AMD).]

5. Judgment. "Judgment" means a judgment that has become final without appeal by expiration of the time within which appeal might have been perfected, or by final affirmance on appeal, rendered by a court of competent jurisdiction of any state or of the United States.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

6. Motor vehicle liability bond. "Motor vehicle liability bond" means a bond certified as proof of financial responsibility in accordance with section 1605.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

7. Motor vehicle liability policy. "Motor vehicle liability policy" means a policy of liability insurance certified as proof of financial responsibility in accordance with section 1605, and includes, but is not limited to, a motor vehicle liability bond.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

8. Owner. "Owner" means a person who holds:

A. Legal title to a vehicle; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. A right to possession and a right to purchase a vehicle on performance of conditions stated in a conditional sale or lease agreement; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. A mortgage on the vehicle, if the mortgagor is entitled to possession. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

9. OUI. "OUI" means operating under the influence of intoxicants or with an excessive alcohol level.

[PL 2009, c. 447, §30 (AMD).]

10. Person. "Person" means every person, firm, copartnership, association or corporation, but not the State or any political subdivision of the State.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

11. Policy. "Policy" means a motor vehicle liability insurance policy or motor vehicle liability bond.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

11-A. Portable electronic device. "Portable electronic device" means an electronic device that is portable in nature, including but not limited to a device for sending or receiving e-mail, a text messaging device, a mobile telephone and a computer.

[PL 2019, c. 486, §7 (AMD).]

12. Secretary of State. "Secretary of State" means the Secretary of State or the Secretary of State's deputy.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

13. State. "State" means a state of the United States, the District of Columbia or a province of the Dominion of Canada.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 2009, c. 447, §30 (AMD). PL 2013, c. 72, §§3, 4 (AMD). PL 2019, c. 486, §7 (AMD).

§1552. Application

The provisions of this chapter do not apply to a snowmobile or an ATV, unless the ATV is registered for highway use. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1553. Administration

The Secretary of State shall administer and enforce this chapter. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

SUBCHAPTER 2

GENERAL FINANCIAL RESPONSIBILITY

§1601. Required maintenance of financial responsibility

1. Requirement. An operator or owner of a vehicle registered in this State or required to be registered in this State shall maintain the amounts of motor vehicle financial responsibility specified in section 1605.
[PL 1999, c. 470, §25 (AMD).]

2. Evidence of insurance or 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 under section 2251, the officer shall request the operator to produce evidence of liability insurance or financial responsibility. Evidence of liability insurance or financial responsibility may be in electronic form, including the display of an image on a portable electronic device. The use of a portable electronic device to provide evidence of liability insurance or financial responsibility in electronic form does not constitute consent for a law enforcement officer to access other contents of the electronic device.
[PL 2013, c. 72, §5 (AMD).]

3. Failure to produce evidence of insurance. If a person fails to produce evidence of liability insurance or financial responsibility, this failure is prima facie evidence that the person is uninsured and in violation of this section.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

3-A. Insurance in effect. A person violates this section if that person produces evidence of liability insurance or financial responsibility that is not in effect.
[PL 1997, c. 178, §1 (NEW).]

4. Dismissal. A person served with a Violations Summons and Complaint charging a violation of this section may have the complaint dismissed if that person shows satisfactory evidence of liability insurance or financial responsibility that was in effect at the time of the alleged violation. The clerk of the District Court Violations Bureau must dismiss the complaint if, prior to the date required for filing an answer to the complaint, the person charged files a copy of the Violation Summons and Complaint with the bureau, together with satisfactory evidence of liability insurance or financial responsibility that was in effect at the time of the alleged violation. If a person files a timely answer to a Violations Summons and Complaint alleging a violation of this section and that person presents to the court at the time of trial satisfactory evidence of liability insurance or financial responsibility that was in effect at the time of the alleged violation, the court must dismiss the complaint.
[PL 1999, c. 771, Pt. C, §11 (AMD); PL 1999, c. 771, Pt. D, §§1, 2 (AFF).]

5. Penalty. Violation of this section is a traffic infraction, for which a forfeiture of not less than $100 and not more than $500 may be assessed.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

6. Suspension. Thirty days after the receipt of an abstract of an adjudication of a violation of this section, the Secretary of State shall suspend:

A. The license of that person; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. The registration of a vehicle owned by that person; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. The right to apply for a driver's license or vehicle registration. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

The suspension continues until that person provides proof of financial responsibility to the Secretary of State pursuant to section 1605.

[PL 1997, c. 165, §1 (AMD); PL 1997, c. 176, §1 (AMD).]

7. Multiple convictions.
[PL 1997, c. 165, §2 (RP); PL 1997, c. 176, §2 (RP).]

7-A. Proof of financial responsibility following violation. A person who violates this section is subject to the proof of financial responsibility requirements under section 1605.
[PL 1997, c. 683, Pt. A, §18 (RPR).]

8. Agent immunity from liability. An insurance agent, 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.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

9. Exemption. The provisions of this section do not apply to:

A. A governmental vehicle; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. A vehicle owned or controlled by a dealer as defined by chapter 9, subchapter I; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. A vehicle registered as a vehicle for hire. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

10. Excluded persons. Beginning January 1, 2022, if a person is explicitly excluded by endorsement from coverage on a policy that constitutes proof of financial responsibility under this chapter, the evidence of insurance or financial responsibility under subsection 2 must list the person as a person excluded by the policy. The requirements of this subsection do not apply to a policy that constitutes proof of financial responsibility under this chapter underwritten on a commercial policy form approved for use in this State.
[PL 2021, c. 200, §1 (NEW).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1997, c. 165, §§1-3 (AMD). PL 1997, c. 176, §§1-3 (AMD). PL 1997, c. 178, §1 (AMD). PL 1997, c. 683, §A18 (AMD). PL 1999, c. 470, §25 (AMD). PL 1999, c. 771, §C11 (AMD). PL 1999, c. 771, §§D1,2 (AFF). PL 2013, c. 72, §5 (AMD). PL 2021, c. 200, §1 (AMD).

§1601-A. Notification of cancellation of insurance

(REPEALED)

SECTION HISTORY

PL 2001, c. 463, §2 (NEW). PL 2001, c. 463, §7 (AFF). PL 2003, c. 434, §35 (AFF). PL 2003, c. 652, §C1 (AMD). PL 2003, c. 652, §C2 (AMD). PL 2003, c. 652, §C3 (AFF). RR 2005, c. 1, §14 (COR). PL 2005, c. 95, §1 (AMD). PL 2005, c. 428, §§1,2 (AMD). PL 2005, c. 428, §3 (AFF). PL 2007, c. 329, Pt. M, §1 (RP).

§1602. Proof demanded

1. Demand. On receipt of an accident report required under section 2251, the Secretary of State shall demand of the owner or operator proof of financial responsibility under section 1605.

This subsection does not apply to:

A. The owner of a vehicle operated by a person that obtained possession or control without the owner's express or implied consent; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. The owner or operator of a vehicle involved in an accident when the Secretary of State is satisfied that neither the owner nor the operator caused the accident; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. The owner or operator of a vehicle involved in an accident caused by an act of a 3rd party that was a motor vehicle violation of which that 3rd party has been convicted or adjudicated; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. The owner or operator of a vehicle involved in an accident in which damage or injury was caused only to the person or property of the owner or operator, unless at the time of the accident that owner or operator was violating provisions of this Title; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

E. The operator of a motor vehicle licensed by the Public Utilities Commission; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

F. An owner or operator of a vehicle covered by a policy, in effect at the time of the accident; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

G. An operator who is not the owner of a vehicle and who is covered by a policy, in effect at the time of the accident, for the operation of vehicles not owned by the operator; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

H. The operator or owner of a vehicle if the liability of the operator or owner for damages resulting from the accident is, in the judgment of the Secretary of State, covered by any other form of policy. A policy is effective under this paragraph:

(1) If it is issued by an insurer, insurance company or surety company authorized to do business in this State; or

(2) If the vehicle is not registered in this State, or was registered outside the State at the effective date of the policy, if the policy meets the amounts of financial responsibility required by section 1605; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

I. The operator of a vehicle owned by the State or a political subdivision, or by a corporation that has complied with section 1605, subsection 3, paragraph C; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

J. The owner of a vehicle operated by another individual 18 years of age or older when the owner was not negligent in giving consent to that individual to use the vehicle. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Suspension. If within 30 days of the date of demand the required proof has not been given, the Secretary of State shall:

A. Suspend the license of that person; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. Suspend the registration of a vehicle owned by that person; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. Suspend or deny the right to apply for a driver's license or vehicle registration. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

3. Duration of suspension. The suspension or period of denial must continue until the person provides proof of financial responsibility under section 1605.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

4. Restricted license. If the Secretary of State finds that suspension imposes an extreme hardship for which there is no other practical remedy and that the safety of the public will not be impaired and if judgment has not been rendered, the Secretary of State may issue a restricted license, subject to restrictions, conditions and immediate suspension if misused.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

5. Waiver. The Secretary of State may waive the requirement of filing proof of financial responsibility 3 years from the date of demand for compliance, if no further proof is required under this subchapter.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

6. Insurance report. Within 15 days of receipt of notice from the Secretary of State that a policy was carried at the time of the accident or that the liability for damages was covered by another form of insurance or bond, an insurance carrier shall notify the Secretary of State if that policy was not in effect at the time of the accident. The Secretary of State may impose an administrative penalty of $50 for each day after 15 days that the insurance carrier fails to notify the Secretary of State as required in this subsection.
[PL 1997, c. 176, §4 (AMD).]

7. Erroneous information. If erroneous information of financial responsibility is furnished, the Secretary of State shall take appropriate action after the receipt of correct information.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1997, c. 176, §4 (AMD).

§1603. Suspension

1. Suspension of license or registration following conviction or adjudication. On receipt of an abstract of conviction or adjudication of a person for a violation of a motor vehicle law other than OUI, the Secretary of State may suspend the license of that person and the registration of a vehicle registered in the name of that person until that person gives proof of financial responsibility under section 1605.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Suspension of license or registration following OUI convictions. On receipt of an attested copy of the court record of an OUI conviction when the person has been previously convicted within a 10-year period of OUI, the Secretary of State may not reinstate the person's license until the person gives proof of financial responsibility. The period of suspension under this subsection may not be less than the original period of suspension imposed for the conviction.
[PL 1995, c. 368, Pt. AAA, §2 (AMD).]

3. Minimum. After a conviction or adjudication of a person for a violation of a motor vehicle law and reinstatement of that person's license and registration, the person shall maintain proof of financial responsibility for at least 3 years.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

4. Conviction or adjudication in another state. The Secretary of State shall take action as required in this section upon receiving proper evidence of a conviction or adjudication in another state.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

5. Waiver. The Secretary of State may waive the demand for proof of financial responsibility after 3 years from the date of demand for proof.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

6. General suspension. After an accident, the Secretary of State, on reasonable grounds appearing on records in the Secretary of State's office, may suspend a person's license or registration until that person gives proof of financial responsibility for a period as the Secretary of State may require.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

7. Unsatisfied judgment. Upon receipt of a judgment against the owner or operator of a vehicle involved in an accident reported pursuant to section 2251, subsection 2 that resulted from a cause of action that arose from that accident, the Secretary of State shall immediately suspend the license and registration of the judgment debtor. Upon receipt of a judgment against the owner or operator of a vehicle resulting from an accident not reported pursuant to section 2251, subsection 2 that occurred on a public way or in a place where public traffic may reasonably be anticipated and caused bodily injury or death or property damage of at least $1,000, the Secretary of State shall immediately suspend the license and registration of the judgment debtor.

A. A suspension remains in effect until the owner or operator has obtained a written release, a discharge in bankruptcy or a judgment of no liability, has filed an installment payment of judgment agreement pursuant to section 1604 or has fully satisfied the judgment. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. Prior to restoration, the owner or operator must provide proof of financial responsibility. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 2013, c. 123, §1 (AMD).]

8. Penalty. A person commits a Class E crime if that person gives information required in a report of traffic accident or otherwise as provided in this section, knowing or having reason to believe that information is false.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

9. Return license, certificates and plates. A person whose license or registration has been suspended shall immediately return every license, registration certificate and registration plate issued to that person to the Secretary of State. A person commits a traffic infraction if that person, after notice of suspension, fails or refuses to return every license, registration certificate and registration plate.

[PL 2023, c. 362, §1 (AMD); PL 2023, c. 362, §4 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1995, c. 368, §AAA2 (AMD). PL 2013, c. 123, §1 (AMD). PL 2023, c. 362, §1 (AMD). PL 2023, c. 362, §4 (AFF).

§1604. Installment payment of judgment; default

1. Installment payment agreement. The Secretary of State may restore any license and registration certificates and plates suspended pursuant to section 1603, subsection 7, paragraph A upon receipt of a court order permitting the judgment debtor to make installment payments on the judgment if any installment is not in default and the person files and maintains proof of financial responsibility with the Secretary of State.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Default. Following notice that the judgment debtor has failed to make any installment payment as specified by the order, the Secretary of State shall suspend the license and registration certificates and plates of the judgment debtor. The suspension must continue until the judgment is completely satisfied or the debtor has secured a written release from the judgment creditor in the form required by the Secretary of State.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1605. Proof of financial responsibility

1. Requirements. To be accepted as proof of financial responsibility, a policy must:

A. Conform to section 1606, subsection 2; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. Include the condition that the obligor must, within 30 days of rendition of judgment, satisfy the judgment in an action to recover damages:

(1) To property or for bodily injury, including death;

(2) Accidentally sustained during the term of the policy by a person other than the insured, employees of the insured actually operating the motor vehicle or another person responsible who is entitled to worker's compensation benefits; and

(3) Arising out of the ownership, operation, maintenance, control or use of a vehicle within the limits of the United States of America or Canada; and [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. Be in the amount or limit of at least:

(1) For damage to property, $25,000;

(2) For injury to or death of any one person, $50,000;

(3) For one accident resulting in injury to or death of more than one person, $100,000;

(4) For medical payments pursuant to section 1605-A, $2,000; and

(5) For towing and storage charges pursuant to section 1605-B, $500. [PL 2023, c. 395, Pt. A, §1 (AMD); PL 2023, c. 395, Pt. A, §4 (AFF).]

[PL 2023, c. 395, Pt. A, §1 (AMD); PL 2023, c. 395, Pt. A, §4 (AFF).]

2. Scope of proof. Insurance in the minimum amounts listed in subsection 1, paragraph C must be furnished for each vehicle registered, and evidence of insurance may be provided at the time of registration in electronic form, including the display of an image on a portable electronic device. Separate proof of financial responsibility is not required for a trailer, semitrailer, camp trailer or mobile home, registered to a person required to file proof of financial responsibility, that is covered by a policy on a vehicle registered by that person and provides the coverage required for a motor vehicle liability policy.

[PL 2013, c. 72, §6 (AMD).]

3. Methods of giving proof. Proof of financial responsibility may be given by the following methods:

A. By filing with the Secretary of State a certificate from an insurance or surety company; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. By the deposit of money or securities; or [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. For a corporation that is a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B, by satisfying the Secretary of State that the corporation has financial ability to comply with the requirements of this subchapter. [PL 2021, c. 254, §1 (AMD).]

[PL 2021, c. 254, §1 (AMD).]

4. Money or securities deposited as proof. A person may give proof of financial responsibility by delivering to the Secretary of State a receipt of the Treasurer of State showing a deposit of money or securities approved by the Treasurer of State with a value or amount equal to that required in a policy.

Securities must be of a type that may legally be purchased by savings banks or for trust funds.

Money or securities deposited are subject to execution to satisfy a judgment, but are not otherwise subject to attachment or execution. The deposited money or securities may also be released upon the

direction of the Secretary of State when the holding period to satisfy the statute of limitations has been satisfied.

The depositor shall also provide evidence that there are no unsatisfied judgments against the depositor registered in the office of the clerk of any Superior Court in this State.

Upon receipt and approval by the Secretary of State of the Treasurer of State's receipt and the evidence that there are no unsatisfied judgments against the depositor, the Secretary of State shall issue to the depositor a certificate of compliance with the laws governing financial responsibility effective for a specific period of time not to exceed one year. This certificate may be produced to establish proof of financial responsibility at the request of a law enforcement officer or to satisfy registration requirements under section 402.

The depositor shall submit to the Secretary of State a new statement from the Treasurer of State and new evidence that there are no unsatisfied judgments against the depositor registered in the office of the clerk of any Superior Court in this State one month prior to the expiration of the period covered by the most recently issued certificate of compliance. Upon inspection and approval of the new receipt and evidence, the Secretary of State shall issue a new certificate of compliance for a new period of time not to exceed one year.

The depositor shall, as necessary, make additional deposits to maintain the deposit in a value or amount equal to that required in a policy. If the value of the money or securities deposited at any time falls below the value or amount equal to that required in a policy and remains below that value or amount for a period of 30 days, the Secretary of State shall revoke the certificate of compliance.

Actions taken by the Treasurer of State or the Secretary of State pursuant to this subsection do not constitute doing the business of insurance.
[PL 2021, c. 254, §2 (AMD).]

5. May substitute other proof. The Secretary of State shall return or cancel proof on acceptance of other adequate proof of financial responsibility, except that when proof of financial responsibility is established by the deposit of money or securities, the Treasurer of State shall hold the money or securities for a period of not less than 6 years following the cancellation of the deposit as proof of financial responsibility or for such other period of time required to satisfy the statute of limitations in effect at the time of cancellation for filing damage claims for causes of action arising from a motor vehicle accident.
[PL 2021, c. 254, §3 (AMD).]

6. Operating without giving proof. A person commits a Class D crime if that person is required to maintain proof of financial responsibility and, without authorization from the Secretary of State and without that proof, operates a vehicle or knowingly permits a vehicle owned by that person to be operated by another on a public way.
[PL 2017, c. 165, §5 (AMD).]

7. Restricted license. When a person is required to maintain proof of financial responsibility, the Secretary of State may issue a restricted license to that person authorizing the operation of a vehicle as long as the owner maintains proof of financial responsibility.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

8. Electronic filing of proof of financial responsibility. The Secretary of State shall implement a system for the electronic filing of proof of financial responsibility under this section.
[PL 1997, c. 165, §4 (NEW).]

9. Rules. The Treasurer of State may adopt routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A to implement the provisions of this section.
[PL 2021, c. 254, §4 (NEW).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1997, c. 165, §4 (AMD). PL 1997, c. 176, §5 (AMD). PL 1997, c. 176, §8 (AFF). PL 2007, c. 213, §1 (AMD). PL 2007, c. 213, §3 (AFF). PL 2013, c. 72, §6 (AMD). PL 2017, c. 165, §5 (AMD). PL 2021, c. 254, §§1-4 (AMD). PL 2023, c. 395, Pt. A, §1 (AMD). PL 2023, c. 395, Pt. A, §4 (AFF).

§1605-A. Medical payments

A motor vehicle liability policy issued for a motor vehicle registered or principally garaged in this State must provide coverage in an amount equal to or greater than $2,000 per person for medical costs incurred as a result of injuries sustained in an accident involving the insured vehicle by the driver and passengers in that vehicle. The coverage required by this section only applies to medical costs incurred during one year following the date the injuries are sustained. This section does not apply to a policy insuring more than 4 motor vehicles, nor to any policy covering a garage, automobile sales agency, repair shop, service station or public parking place. [PL 2007, c. 213, §2 (AMD); PL 2007, c. 213, §3 (AFF).]

SECTION HISTORY

PL 1997, c. 176, §6 (NEW). PL 1997, c. 176, §8 (AFF). PL 1997, c. 776, §40 (AMD). PL 2007, c. 213, §2 (AMD). PL 2007, c. 213, §3 (AFF).

§1605-B. Towing and storage charges

A motor vehicle liability policy issued for a motor vehicle registered or principally garaged in this State must provide coverage in an amount up to $500 per accident for the reasonable towing and storage charges incurred as a result of an accident involving the insured vehicle if the vehicle is towed at the request of a law enforcement officer. The coverage required by this section applies only to the reasonable towing and storage charges of the insured vehicle. This section does not apply to a policy insuring more than 4 motor vehicles, nor to any policy covering a garage, automobile sales agency, repair shop, service station or public parking place. [PL 2023, c. 395, Pt. A, §2 (NEW); PL 2023, c. 395, Pt. A, §4 (AFF).]

SECTION HISTORY

PL 2023, c. 395, Pt. A, §2 (NEW). PL 2023, c. 395, Pt. A, §4 (AFF).

§1606. Filing

A policy may not be certified as proof of financial responsibility until a copy of the form of the policy has been on file with the Superintendent of Insurance for at least 30 days or the Superintendent of Insurance has approved in writing the form of the policy. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

1. Form. The Superintendent of Insurance shall approve a form of policy that contains:

A. The name and address of the insured; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. A description of the vehicle covered; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. The premium charges; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. The policy period; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

E. The limits of liability; and [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

F. An agreement that insurance is provided under this subchapter. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Required provisions. Even if not expressed, a policy is subject to the following provisions.

A. The liability of a company under a policy must become absolute when the loss or damage covered by the policy occurs. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. Satisfaction by the insured of a final judgment for that loss or damage may not be a condition precedent to the obligation of the company to make payment on account of the loss or damage. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. A policy may not be canceled or annulled by an agreement between the company and the insured after the insured has become liable for loss or damage. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. On recovery of a final judgment for a loss or damage specified in this section, if the judgment debtor at the accrual of the cause of action was insured against liability under a policy, the judgment creditor may have the insurance proceeds applied to satisfy the judgment. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

E. The policy, the written application and a rider or endorsement constitute the entire contract between the parties. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

F. If the death, insolvency or bankruptcy of the insured occurs within the policy period, the policy must cover the legal representatives of the insured during the unexpired portion. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

3. Default judgment. When the defendant has defaulted, damages may not be assessed, except by special order of the court, until expiration of 30 days after the plaintiff gives notice of default to the company that issued the policy.

Notice may be given by mail, postage prepaid, to the company that issued the policy or to its agent.

If satisfied that the insured has failed to comply with the terms of the policy by failing to notify the company that issued the policy of an accident, the Secretary of State may revoke the insured's license and registration for an appropriate period.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

4. Recovery may not be barred. A statement of the insured or principal or a violation of the policy may not operate to defeat or avoid the policy so as to bar recovery within the limit provided in the policy.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

5. Cancellation of policy. A policy certified as proof of financial responsibility may not be canceled until at least 10 days after notice of cancellation has been filed in the office of the Secretary of State.

A policy subsequently certified terminates on the effective date of certification the insurance previously certified with respect to a motor vehicle designated in both certificates.

The company may specify on a certificate the expiration date of the policy. When an expiration date is provided, the policy is deemed terminated for purposes of this chapter on and after that date, unless that policy has been previously canceled or superseded.

When an expiration date is not specified on the certificate, the policy continues until canceled or superseded in accordance with section 1605, subsection 5.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

6. Company doing business in another state. A policy is not effective unless issued by a company authorized to do business in this State or a company authorized to do business in the state where the vehicle is registered or, in the case of an operator's policy, the state where the operator resides.

[PL 2009, c. 598, §35 (AMD).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 2009, c. 598, §35 (AMD).

§1607. Satisfied judgments

1. Satisfaction. To meet the obligation of financial responsibility only, a judgment is satisfied:

A. When $50,000 has been credited on a judgment for bodily injury to or death of one person as the result of one accident rendered in excess of that amount; [PL 1997, c. 176, §7 (AMD); PL 1997, c. 176, §8 (AFF).]

B. Subject to paragraph A, when $100,000 has been credited on a judgment for bodily injury to or death of 2 or more people as the result of one accident rendered in excess of that amount; or [PL 1997, c. 176, §7 (AMD); PL 1997, c. 176, §8 (AFF).]

C. When $25,000 has been credited on a judgment for injury to or destruction of property of others as a result of one accident rendered in excess of that amount. [PL 1997, c. 176, §7 (AMD); PL 1997, c. 176, §8 (AFF).]

[PL 1997, c. 176, §7 (AMD); PL 1997, c. 176, §8 (AFF).]

2. Settlement payments. Payments made in settlement of a claim for bodily injury, death or property damage arising from a motor vehicle accident must be credited against the amounts provided for in this section.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1997, c. 176, §7 (AMD). PL 1997, c. 176, §8 (AFF).

§1608. Hearing

1. Request for hearing. A person aggrieved by a decision of the Secretary of State in applying this chapter, within 10 days after receipt of the decision, may request in writing a hearing by the Secretary of State.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Stay of decision. Pending a hearing, the decision may be stayed.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

3. Determination of issuance. If the Secretary of State holds a hearing to determine whether or not a license or registration should be issued to a person against whom the provisions of this subchapter have been invoked, the Secretary of State shall provide notice of the hearing to the other party involved in the accident that gave rise to this subchapter being invoked.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1609. Nonresidents; accidents in other states

1. Nonresidents. The following provisions apply to nonresidents.

A. This chapter applies to a person who is not a resident of this State. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. If a nonresident has failed to give proof of financial responsibility, that nonresident may not operate a vehicle in this State and may not allow a vehicle owned by that nonresident to be operated in this State. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

C. The Secretary of State may not issue to a nonresident a license or register a vehicle owned by a nonresident in the same manner as required with respect to a resident of this State. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. The operation by a nonresident, or with a nonresident owner's express or implied consent, of a vehicle on a public way acts as an appointment of the Secretary of State to be the nonresident's attorney, on whom may be served all lawful processes in an action growing out of an accident in which that nonresident or vehicle may be involved. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

E. When a nonresident's operating privilege is suspended, the Secretary of State shall transmit a certified copy of the record of that action to the appropriate official in the nonresident's state. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Accidents in other states. On receipt of certification that the operating privilege of a resident of this State has been suspended or revoked by another state for failure to provide proof of financial responsibility under circumstances that require the Secretary of State to suspend a nonresident's operating privilege had an accident occurred in this State, the Secretary of State may suspend the license of that resident and the registrations of vehicles owned by that resident.

The suspension may continue until the resident furnishes proof of compliance with the law of the other state.

[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1610. Savings clause

This chapter does not limit a plaintiff in a civil action from relying on other processes provided by law. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1611. Insurance, bond or self-insurance required

1. Insurance, bond or self-insurance required. The Secretary of State may not register any motor vehicle for rent, lease, hire or livery and a person may not operate or cause to be operated on any public way in the State such a motor vehicle until the owner or owners of that vehicle procure insurance or a bond covering the operation of that vehicle by:

A. Presenting a valid and sufficient insurance policy from:

(1) An insurance company authorized by the Superintendent of Insurance to transact business in this State; or

(2) With the approval of the Secretary of State, an insurance company authorized to transact business in any state that provides an indemnity bond bonding the insurance company in an amount the Secretary of State prescribes and having as surety a surety company authorized by

the Superintendent of Insurance to transact business in this State; [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

B. Presenting a good and sufficient indemnity bond, approved by the Secretary of State, bonding the applicant in an amount the Secretary of State prescribes and having as surety 2 responsible individuals or a surety company authorized to transact business in this State; [PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §16 (AMD); PL 1995, c. 65, Pt. C, §15 (AFF).]

C. Presenting a declaratory judgment issued by the Interstate Commerce Commission authorizing the owner to self-insure; or [PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §16 (AMD); PL 1995, c. 65, Pt. C, §15 (AFF).]

D. Presenting a valid and sufficient insurance policy or bond filed by an insurance company that may do business and is eligible as an excess or surplus lines insurer in a state in which business is written on behalf of those motor carriers that are certified by the Interstate Commerce Commission at the level required by 49 Code of Federal Regulations, Section 1043.2 and its exceptions. [PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §17 (NEW); PL 1995, c. 65, Pt. C, §15 (AFF).]

[PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §§16, 17 (AMD); PL 1995, c. 65, Pt. C, §15 (AFF).]

2. Minimum insurance requirements. The minimum insurance requirements are as follows.

A. Except as provided in paragraph E, there is a $350,000 combined single limit for emergency vehicles and for-hire transportation vehicles for transporting freight or merchandise but not passengers in intrastate-exempt service or service exempted by the federal Department of Transportation, Surface Transportation Board. [PL 2011, c. 78, §1 (AMD).]

B. For vehicles used exclusively to transport passengers for hire between points within the State, including motor vehicles under contract with the State, a municipality or a school district for the transportation of students, but not vehicles defined as school buses in section 2301, subsection 5, there is a combined single limit of:

(1) One hundred twenty-five thousand dollars, or split limits consisting of $50,000 per person and $100,000 per occurrence for bodily injury liability, and $25,000 for property damage liability for vehicles that are designed to carry no more than 3 passengers behind the driver's seat;

(2) Three hundred thousand dollars for vehicles that are designed to carry 4 to 7 passengers behind the driver's seat, including those vehicles under contract with the State, a municipality or a school district for the transportation of students;

(3) Seven hundred fifty thousand dollars for vehicles that are designed to carry 8 to 15 passengers behind the driver's seat;

(4) One million five hundred thousand dollars for vehicles that are designed to carry 16 to 30 passengers behind the driver's seat;

(5) Two million dollars for vehicles that are designed to carry 31 or more passengers behind the driver's seat; and

(6) Four hundred thousand dollars for vehicles registered to a transit district as defined in Title 30-A, section 3501. [PL 2007, c. 703, §23 (AMD).]

C. For vehicles used to transport passengers for hire between points within the State and points outside the State, but not vehicles defined as school buses in section 2301, subsection 5, or vehicles under contract with the State, municipality or school district for the transportation of students, there is a combined single limit of:

(1) For vehicles with 15 or fewer passengers, $1,500,000; and

(2) For vehicles with 16 or more passengers, $5,000,000.

The Secretary of State shall mark or stamp for-hire vehicle registrations not in compliance with this paragraph as "intrastate only." Car pools or van pools as defined in section 556, subsection 6 and taxicabs are exempt from the provisions of this paragraph but are subject to the provisions of paragraph B. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

D. For school buses as defined in section 2301, subsection 5 there is a combined single limit of:

(1) For school buses with up to 30 passengers behind the driver's seat, $500,000; and

(2) For school buses with 31 or more passengers behind the driver's seat, $1,000,000. [PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §19 (AMD); PL 1995, c. 65, Pt. C, §15 (AFF).]

E. For rental trucks with a registered gross weight of 26,000 pounds or less, rented or leased for fewer than 30 days:

(1) There is a combined single limit of $125,000; or

(2) There is a split limit of $50,000 per person or $100,000 per occurrence for bodily injury liability and $25,000 for property damage liability. [PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §20 (NEW); PL 1995, c. 65, Pt. C, §15 (AFF).]

F. For rental vehicles, the requirements are the same as under section 1605, subsection 1, paragraph C. [PL 2011, c. 78, §2 (NEW).]

G. For intrastate commercial motor vehicles, there is a combined single limit of $750,000. [PL 2025, c. 107, §1 (NEW); PL 2025, c. 107, §2 (AFF).]

[PL 2025, c. 107, §1 (AMD); PL 2025, c. 107, §2 (AFF).]

3. Maintenance of insurance. The owner or owners of any vehicle subject to this section shall maintain at all times the required amount of insurance or bond during the term of the vehicle's registration. Notwithstanding section 1606, the insurance provider must provide at least 30 days' notice of cancellation of insurance to the Secretary of State. For vehicles registered in this State, the Secretary of State shall immediately suspend or revoke, pursuant to chapter 23, the registration certificate and registration plates of any vehicle for which the insurance or bond in the amounts required is not maintained. Any person whose registration certificate and registration plates have been suspended or revoked pursuant to this section shall immediately return the registration certificate and registration plates to the Secretary of State. For vehicles not required to be registered in this State, the Secretary of State shall suspend the person's right to operate in this State.

[PL 2009, c. 598, §36 (AMD).]

4. Additional requirements.

[PL 2009, c. 598, §37 (RP).]

5. Coverage of insurance or bond. The required insurance policy or bond must adequately provide liability insurance for the collection of damages for which the owner of a motor vehicle or vehicles may be liable by reason of the operation of a motor vehicle or vehicles subject to this chapter.

[PL 2009, c. 598, §38 (AMD).]

6. Exemption. All vehicles owned by the State, a municipality or school district are exempt from the insurance requirements established in this section.

[PL 1995, c. 65, Pt. A, §153 (AFF); PL 1995, c. 65, Pt. B, §21 (AMD); PL 1995, c. 65, Pt. C, §15 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1995, c. 65, §§A153,C15 (AFF). PL 1995, c. 65, §§B16-21 (AMD). PL 1995, c. 482, §B20 (AMD). PL 1995, c. 482, §B22 (AFF). PL 1995, c. 645, §A15 (AMD). PL 2001, c. 361, §30 (AMD). PL 2005, c. 573, §5 (AMD). PL 2007, c. 703, §23 (AMD). PL 2009, c. 435, §20 (AMD). PL 2009, c. 598, §§36-38 (AMD). PL 2011, c. 78, §§1, 2 (AMD). PL 2025, c. 107, §1 (AMD). PL 2025, c. 107, §2 (AFF).

§1612. Insurance before registration for dealers and transporters

The Secretary of State may not issue a dealer, transporter, loaner, motorcycle dealer or trailer dealer license or registration plates under chapter 9, subchapter I, except to equipment dealers or dealers who are only licensed to sell trailers with a gross vehicle weight rating of 3,000 pounds or less, and that do not request dealer registration plates in conjunction with the license, until the applicant has procured and filed with the Secretary of State a certificate showing that the applicant is covered by an automobile bodily injury and property damage liability insurance policy providing coverage as set forth in this Title with respect to the plates issued, approved by the Superintendent of Insurance, insuring against any legal liability in accordance with the terms of that policy for personal injury or death of any one person in the sum of $100,000 and for any number of persons in the sum of $300,000 and against property damage in the sum of $100,000 when injury, death or damage may result from or have been caused by the operation of any vehicle bearing such registration plates. In lieu of that insurance, the applicant may file with the Secretary of State a bond or bonds issued by a surety company authorized to do business in the State in the amount of at least $100,000 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 $300,000 on account of any one accident resulting in injury to or death of more than one person; and of at least $100,000 for damage to property of others. [PL 1997, c. 776, §41 (AMD).]

Notwithstanding this section, a trailer or mobile home dealer, licensed pursuant to section 954, who certifies to the Secretary of State that the dealer does not haul trailers or mobile homes on the public roads and highways of the State is not required to file certification of liability insurance or surety bond. The Secretary of State may not issue dealer plates to a trailer or mobile home dealer exempted from filing certification of liability insurance or surety bond under this paragraph. [PL 2001, c. 671, §29 (AMD).]

Notwithstanding Title 4, section 152, subsection 9 and Title 5, sections 10003 and 10051, the Secretary of State has the authority to suspend a motor vehicle dealer license upon the dealer's failure to maintain insurance as required by this section. [PL 1999, c. 547, Pt. B, §48 (AMD); PL 1999, c. 547, Pt. B, §80 (AFF).]

The operation, or the release for operation, of any vehicle registered under chapter 9, subchapter I that is not in compliance with this section is a traffic infraction. [PL 1999, c. 771, Pt. C, §12 (AMD); PL 1999, c. 771, Pt. D, §§1, 2 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 1995, c. 645, §A16 (AMD). PL 1997, c. 437, §41 (AMD). PL 1997, c. 776, §41 (AMD). PL 1999, c. 547, §B48 (AMD). PL 1999, c. 547, §B80 (AFF). PL 1999, c. 771, §C12 (AMD). PL 1999, c. 771, §§D1,2 (AFF). PL 2001, c. 671, §29 (AMD).

SUBCHAPTER 3

VICARIOUS LIABILITY

§1651. Liability for minor

An owner who knowingly permits a minor to operate that owner's vehicle on a public way is jointly and severally liable with that minor for damages caused by the negligence of the minor in operating that vehicle. [PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1652. Owner and renter jointly and severally liable

1. Liability. An owner engaged in the business of renting motor vehicles, with or without drivers, who rents a vehicle to another for use on a public way, is jointly and severally liable with the renter for damage caused by the negligence of the renter in operating the vehicle and for any damages caused by the negligence of a person operating the vehicle by or with the permission of the renter.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

2. Applicability. This section does not apply to a rental as part of a bona fide transaction involving the sale of a motor vehicle.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

3. Limitation. This section does not give to a passenger in a rented vehicle a right of action against the owner.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

4. Contributory negligence. This section does not affect contributory negligence as a defense.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF).

§1653. Allowing impaired operator

1. Liability. An owner or person having control of a motor vehicle who, having knowledge or reason to know that a person is under the influence of intoxicating liquor or drugs or has an alcohol level of 0.08 grams or more of alcohol per 100 milliliters of blood or 210 liters of breath, permits that person to operate that motor vehicle is jointly and severally liable with that person for damages caused by the negligence of the person.
[PL 2009, c. 447, §31 (AMD).]

2. Not exclusive. This section does not limit and does not diminish any cause of action or right of recovery that is or may become available under the common law.
[PL 1993, c. 683, Pt. A, §2 (NEW); PL 1993, c. 683, Pt. B, §5 (AFF).]

SECTION HISTORY

PL 1993, c. 683, §A2 (NEW). PL 1993, c. 683, §B5 (AFF). PL 2009, c. 447, §31 (AMD).

SUBCHAPTER 4

TRANSPORTATION NETWORK COMPANIES

§1671. Definitions

As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 2015, c. 279, §2 (NEW).]

1. Digital network. "Digital network" has the same meaning as in Title 24-A, section 7302, subsection 1.
[PL 2015, c. 279, §2 (NEW).]

2. Personal vehicle. "Personal vehicle" has the same meaning as in Title 24-A, section 7302, subsection 2.
[PL 2015, c. 279, §2 (NEW).]

3. Prearranged ride. "Prearranged ride" has the same meaning as in Title 24-A, section 7302, subsection 3.
[PL 2015, c. 279, §2 (NEW).]

4. Transportation network company. "Transportation network company" has the same meaning as in Title 24-A, section 7302, subsection 4.
[PL 2015, c. 279, §2 (NEW).]

5. Transportation network company driver; driver. "Transportation network company driver" or "driver" has the same meaning as in Title 24-A, section 7302, subsection 5.
[PL 2015, c. 279, §2 (NEW).]

6. Transportation network company rider; rider. "Transportation network company rider" or "rider" has the same meaning as in Title 24-A, section 7302, subsection 6.
[PL 2015, c. 279, §2 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW).

§1672. Transportation network company permit

1. Permit required. A person may not operate a transportation network company without a permit issued by the Secretary of State, subject to the following conditions.

A. A transportation network company shall pay an annual fee of $10,000 for a permit under this section. [PL 2015, c. 279, §2 (NEW).]

B. A transportation network company shall maintain insurance in accordance with section 1673. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

2. Application; validity of permit. An application for a permit under this section must be made on a form provided or approved by the Secretary of State. A permit under this section is valid for a period of one year.
[PL 2015, c. 279, §2 (NEW).]

3. Termination of permit. The Secretary of State shall terminate a permit under this section for failure to maintain insurance required by section 1673 or to otherwise comply with the requirements of this subchapter. The Secretary of State may not reissue a permit terminated under this subsection until:

A. A reinstatement fee of $1,000 is paid to the Secretary of State; and [PL 2015, c. 279, §2 (NEW).]

B. Subsequent to the termination, the transportation network company pays the annual permit fee under subsection 1 and demonstrates compliance with the requirements of this subchapter. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

4. Penalty. The following provisions apply to violations under this section.

A. Operation without a permit as required by subsection 1 is a Class D crime. [PL 2015, c. 279, §2 (NEW).]

B. Failure to maintain insurance as required by subsection 1, paragraph B is a Class D crime. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW).

§1673. Insurance requirements

1. Insurance required. A transportation network company shall maintain insurance pursuant to this section.
[PL 2015, c. 279, §2 (NEW).]

2. Proof of insurance. The Secretary of State shall certify proof of insurance prior to issuing a permit under section 1672. The Secretary of State may not certify an insurance policy as proof of insurance unless the policy meets the requirements of subsection 4 and until a copy of the form of policy has been on file with the Superintendent of Insurance for at least 30 days or the Superintendent of Insurance has approved in writing the form of the policy under subsection 3.
[PL 2015, c. 279, §2 (NEW).]

3. Form. The form of policy under this section must contain:

A. The name and address of the insured; [PL 2015, c. 279, §2 (NEW).]

B. The conditions of coverage sufficient to identify whether or not a given vehicle is covered at a given time; [PL 2015, c. 279, §2 (NEW).]

C. The policy period; [PL 2015, c. 279, §2 (NEW).]

D. The limits of liability; and [PL 2015, c. 279, §2 (NEW).]

E. An agreement that insurance is provided pursuant to this section. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

4. Required provisions. An insurance policy under this section must:

A. Provide coverage in accordance with the requirements of Title 24-A, section 7303; and [PL 2015, c. 279, §2 (NEW).]

B. Comply with section 1606, subsections 2 to 6. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW).

§1674. Other requirements

The following provisions apply to a transportation network company operating in this State. [PL 2015, c. 279, §2 (NEW).]

1. Not a motor carrier, taxicab, limousine or for-hire vehicle. A transportation network company or a transportation network company driver is not a motor carrier, a taxicab, a limousine or a provider of for-hire transportation service.
[PL 2015, c. 279, §2 (NEW).]

2. Agent. A transportation network company shall designate an agent for service of process in this State.
[PL 2015, c. 279, §2 (NEW).]

3. Fare for services. On behalf of a transportation network company driver, a transportation network company may charge a fare for the services provided to riders; if a fare is collected from a rider, the transportation network company shall disclose to the rider the fare calculation method on its website or through the digital network. The transportation network company shall also provide a rider

with the applicable rate being charged and the option to receive an estimated fare before the rider enters the transportation network company driver's vehicle.
[PL 2015, c. 279, §2 (NEW).]

4. Identification of transportation network company vehicles and drivers. The transportation network company's digital network or website must display to a rider a picture of the transportation network company driver and the license plate number of the personal vehicle used for providing the prearranged ride before the rider enters the transportation network company driver's vehicle.
[PL 2015, c. 279, §2 (NEW).]

5. Electronic receipt. Within a reasonable period of time following the completion of a prearranged ride, a transportation network company shall transmit an electronic receipt to the rider that lists:

A. The point of origin and destination of the prearranged ride; [PL 2015, c. 279, §2 (NEW).]

B. The total time and distance of the prearranged ride; and [PL 2015, c. 279, §2 (NEW).]

C. An itemization of the total fare paid, if any. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

6. No cash. A transportation network company shall adopt a policy prohibiting the solicitation or acceptance of a cash payment from a rider and notify transportation network company drivers of that policy. A transportation network company driver may not solicit or accept a cash payment from a rider. Any payment for a prearranged ride may be made only electronically using the transportation network company's digital network.
[PL 2015, c. 279, §2 (NEW).]

7. Policy on discrimination; accessibility. A transportation network company shall adopt a policy addressing discrimination and accessibility that:

A. Prohibits discrimination on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation or gender identity with respect to riders and potential riders; [PL 2015, c. 279, §2 (NEW).]

B. Requires a transportation network company driver to comply with all applicable laws regarding discrimination against riders or potential riders on the basis of destination, race, color, national origin, religious belief or affiliation, sex, disability, age, sexual orientation or gender identity; [PL 2015, c. 279, §2 (NEW).]

C. Requires a transportation network company driver to comply with all applicable laws relating to accommodation of service animals; [PL 2015, c. 279, §2 (NEW).]

D. Prohibits the imposition of additional charges for providing services to persons with physical disabilities because of those disabilities; [PL 2015, c. 279, §2 (NEW).]

E. Provides a rider an opportunity to indicate whether the rider requires a wheelchair accessible vehicle. If a transportation network company cannot arrange for wheelchair accessible transportation in any instance, the transportation network company driver shall direct the rider to an alternate provider of wheelchair accessible service, if available; and [PL 2015, c. 279, §2 (NEW).]

F. Provides notice of the policy to each driver. [PL 2015, c. 279, §2 (NEW).]
[PL 2015, c. 279, §2 (NEW).]

8. Records. A transportation network company shall maintain individual prearranged ride records for at least one year from the date each prearranged ride was provided and transportation network company driver records for at least one year from the date on which a transportation network company driver's activation on the transportation network company's digital network has ended.

[PL 2015, c. 279, §2 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW).

§1675. Driver requirements

A transportation network company must meet the following requirements with respect to drivers. [PL 2015, c. 279, §2 (NEW).]

1. Driver qualifications. Before allowing a driver to accept prearranged ride requests through a digital network, a transportation network company shall:

A. Require the individual to submit an application, which includes information regarding the individual's address, age, driver's license, driving history, registration of the personal vehicle, automobile liability insurance and any other information required by the transportation network company; [PL 2015, c. 279, §2 (NEW).]

B. Conduct, or have a 3rd party conduct, a local and national criminal background check for each applicant that must include a review of:

(1) A multistate and multijurisdiction criminal records database or a commercial nationwide criminal records database; and

(2) The United States Department of Justice national sex offender registry database and the state sex offender registry database in the state that issued the individual's driver's license; and [PL 2015, c. 279, §2 (NEW).]

C. Obtain and review a driving history report for the individual. [PL 2015, c. 279, §2 (NEW).] [PL 2015, c. 279, §2 (NEW).]

2. Grounds for disqualification. A transportation network company may not permit an individual to act as a driver if the individual:

A. Is not at least 19 years of age; [PL 2015, c. 279, §2 (NEW).]

B. Has had more than 3 moving violations in the prior 3-year period or one major violation in the prior 3-year period, including, but not limited to, attempting to evade the police, reckless driving or driving on a suspended or revoked license; [PL 2015, c. 279, §2 (NEW).]

C. Has been convicted, within the past 7 years, of driving under the influence of drugs or alcohol, fraud, a sexual offense, use of a motor vehicle to commit a felony, a crime involving property damage or theft, an act of violence or an act of terror; [PL 2015, c. 279, §2 (NEW).]

D. Is a match in the national sex offender registry database or is required to register in the state that issued the individual's driver's license pursuant to that state's sex offender registration laws; [PL 2015, c. 279, §2 (NEW).]

E. Does not possess a valid driver's license; [PL 2015, c. 279, §2 (NEW).]

F. Does not possess proof of registration for the motor vehicle to be used to provide a prearranged ride; or [PL 2015, c. 279, §2 (NEW).]

G. Does not possess proof of automobile liability insurance for the motor vehicle to be used to provide a prearranged ride. [PL 2015, c. 279, §2 (NEW).] [PL 2015, c. 279, §2 (NEW).]

3. Prohibition of drug or alcohol use. A transportation network company shall adopt and implement a policy regarding a driver's use of drugs or alcohol while accessing the transportation network company's digital network in accordance with this subsection.

A. The policy adopted under this subsection must prohibit the use of drugs or alcohol while a driver is providing a prearranged ride and address such use while a driver is logged into the digital network, but is not providing a prearranged ride. The transportation network company shall provide notice of the policy on its website, as well as procedures to report a complaint about a driver who the rider reasonably suspects was under the influence of drugs or alcohol during the course of the prearranged ride. [PL 2015, c. 279, §2 (NEW).]

B. Upon receipt of a rider complaint under paragraph A, the transportation network company shall immediately suspend the driver's access to the digital network and shall conduct an investigation into the reported incident. The suspension must last the duration of the investigation. [PL 2015, c. 279, §2 (NEW).]

C. A transportation network company shall maintain records relevant to the enforcement of its policy under this subsection for a period of at least 2 years from the date that a rider complaint is received by the transportation network company. [PL 2015, c. 279, §2 (NEW).]

[PL 2015, c. 279, §2 (NEW).]

4. Vehicle safety and emissions. A transportation network company shall require that any motor vehicle used by a driver to provide a prearranged ride meets any safety and emissions requirements of the state in which the vehicle is registered.

[PL 2015, c. 279, §2 (NEW).]

5. No street hails. A transportation network company driver may not solicit or accept street hails.

[PL 2015, c. 279, §2 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW).

§1676. No application to workers' compensation

This subchapter does not apply to claims or proceedings involving workers' compensation. [PL 2015, c. 279, §2 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW).

§1677. Municipal action

1. Authority restricted. Notwithstanding any other provision of law to the contrary, a municipality or other political subdivision may not adopt an ordinance, regulation or procedure governing the operations of a transportation network company, driver or motor vehicle used by a transportation network company driver to provide a prearranged ride or impose a tax or fee on or require a license for a transportation network company, driver or motor vehicle used by a transportation network company driver to provide a prearranged ride, except as provided in subsection 2.

[PL 2019, c. 78, §1 (NEW).]

2. Primary airports. A municipality or other political subdivision operating a public airport that receives scheduled passenger aircraft service and that had more than 20,000 passenger boardings in the previous year, may in a manner that is consistent with the airport's regulation of other prearranged for-hire transportation services including but not limited to taxicabs and limousines:

A. Regulate the parking and traffic flow of transportation network company drivers at the airport; and [PL 2019, c. 78, §1 (NEW).]

B. Charge a transportation network company a reasonable fee for each trip to pick up a rider at the airport made by a driver for the transportation network company. [PL 2019, c. 78, §1 (NEW).]

For the purposes of this subsection, the term "passenger boardings" means passenger boardings on an aircraft in service at the airport that generate revenue for an airline or the airport.
[PL 2019, c. 78, §1 (NEW).]

SECTION HISTORY

PL 2015, c. 279, §2 (NEW). PL 2019, c. 78, §1 (RPR).

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