

Bulletin 164

Youthful operators

April 3, 1989

The Automobile Insurance Cancellation Control Act allows cancellation or nonrenewal for reasons relating to convictions, suspensions, or accidents. Title 24-A M.R.S.A. Section 2916-B allows the exclusion of operators who commit an act for which a policy could be cancelled or nonrenewed under Section 2914(4), relating to license suspensions or revocations, or Section 2916-A(1) or (2), relating to convictions and accidents.

These three sections, when read together, indicate that a covered person cannot be nonrenewed or excluded for any other reason. It has come to the attention of the Bureau of Insurance that youthful operators are being excluded from coverage or are otherwise being limited on existing policies. These practices are not permitted under the Automobile Insurance Cancellation Control Act.

A resident youthful operator may not be excluded from his/her parents' policy except for those reasons allowed under 24-A M.R.S.A. Section 2916-B. If a youthful operator has his/her own policy, whether or not he/she owns a vehicle, he/she cannot be rated as a youthful operator on the parents' policy. If the youthful operator's policy is through another company or an unaffiliated company, the insurer of the parents can require continuous proof of insurance for the youthful operator but may not surcharge the parents' policy for a youthful operator. If a resident youthful operator is not covered or ceases to be covered under a separate policy, then the youthful operator shall be carried on the family policy and may be subject to surcharge either as a principal operator or occasional operator.

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