

The "Consumer's Guide to Personal Auto Insurance" published by the Maine Bureau of Insurance serves as a vital resource for consumers, highlighting the importance of understanding necessary coverage before purchasing auto insurance and encouraging comparison shopping for the best rates. When applying for insurance, insurers require specific information such as driving records, vehicle details, and prior insurance history, which can significantly influence premium rates. Various discounts are available based on factors like age, multiple vehicles, driver education courses, and safety devices, with specific discounts mandated by law for drivers aged 55 and older who complete an approved accident prevention course.

Maine law requires all vehicle owners to carry liability insurance, uninsured motorist coverage, towing and storage coverage, and medical payments coverage. The minimum liability coverage mandated is \$50,000 for injury or death of one person, \$100,000 for multiple persons, and \$25,000 for property damage. Uninsured motorist coverage must match the liability limits unless a lower limit is chosen, and medical payments coverage must be at least \$2,000. Additionally, policies issued after July 1, 2024, must include towing and storage coverage up to \$500 per accident. Liability insurance encompasses bodily injury liability, property damage liability, uninsured/underinsured motorist coverage, and medical payments coverage, with each type serving specific protective functions against claims for damages to others and medical expenses incurred by the insured or passengers.

For damage to the insured vehicle, collision and comprehensive coverages are optional. Collision coverage addresses damage from collisions, while comprehensive coverage protects against non-collision-related incidents such as fire, severe weather, vandalism, floods, and theft, including broken glass like windshield damage. Policyholders can select a deductible amount, which is the portion they agree to pay before the insurer covers the remainder of a claim; typically, higher deductibles result in lower premiums. Lenders may require collision and comprehensive coverage when financing a new car to ensure the vehicle can be repaired or the loan paid off if totaled.

Optional coverages include protection for permanently installed electronic equipment, rental reimbursement for car rentals during repairs, and umbrella policies for additional liability coverage beyond standard limits. GAP coverage addresses the difference between the vehicle's actual cash value and the remaining loan balance, excluding certain costs like interest or prior loan roll-overs.

Premiums may be subject to surcharges based on driving records, and short-rate cancellations may incur a fee if the policy is canceled mid-term. Payment options include installment plans, which may involve fees, and late or reinstatement fees for missed payments. In the event of an accident, policyholders are required to document details, report to the police if necessary, and promptly notify their insurer. Coverage may not extend to personal vehicle rentals or rideshare services unless additional insurance is obtained, as standard policies often exclude these uses. It is advisable for consumers to consult with an insurance agent to ensure adequate coverage and avoid financial gaps. Overall, the guide provides comprehensive insights into auto insurance requirements, coverage options, and factors influencing premiums in Maine.