
By: **Chairman, Economic Matters Committee (Departmental - Insurance Administration, Maryland)**

Introduced and read first time: January 15, 1999
Assigned to: Economic Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: February 24, 1999

CHAPTER _____

1 AN ACT concerning

2 **Insurance - Rate Making - Homeowners Premium - Geographic Distribution**
3 **Data**

4 FOR the purpose of requiring certain insurers to file with the Insurance
5 Commissioner certain data about the geographic distribution of homeowners
6 premium; establishing a reporting date; defining a certain term; providing for a
7 delayed effective date; providing for the termination of this Act; and generally
8 relating to data about the geographic distribution of homeowners premium.

9 BY repealing and reenacting, with amendments,
10 Article - Insurance
11 Section 11-321, 11-322(a), and 11-323 to be under the amended part "Part IV.
12 Same - Geographic Distribution of Homeowners Premium and Private
13 Passenger Premium"
14 Annotated Code of Maryland
15 (1997 Volume and 1998 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article - Insurance
18 Section 11-326
19 Annotated Code of Maryland
20 (1997 Volume and 1998 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Insurance**
2 Part IV. Same - Geographic Distribution of HOMEOWNERS PREMIUM AND Private
3 Passenger Premium.

4 11-321.

5 (a) In Part IV of this subtitle the following words have the meanings
6 indicated.

7 (b) "Affiliate" has the meaning stated in § 7-101 of this article.

8 (C) "HOMEOWNERS PREMIUM" MEANS THE DIRECT WRITTEN PREMIUM
9 DERIVED FROM THE SALE OF HOMEOWNERS INSURANCE POLICIES IN A CALENDAR
10 YEAR.

11 [(c)] (D) "Major insurer" means an insurer or affiliate or subsidiary of that
12 insurer that has written an amount of private passenger premium in the State that
13 totals ~~1.5%~~ ~~1.05%~~ or more of the total premium of private passenger premium written
14 in the State by all insurers, including the Maryland Automobile Insurance Fund.

15 [(d)] (E) "Private passenger premium" means the direct written premium
16 derived from the sale of private passenger motor vehicle insurance policies in a
17 calendar year.

18 [(e)] (F) "Subsidiary" has the meaning stated in § 7-101 of this article.

19 11-322.

20 (a) Part IV of this subtitle applies to each authorized insurer that writes:

21 (1) private passenger motor vehicle insurance in the State; OR

22 (2) HOMEOWNERS INSURANCE IN THE STATE.

23 11-323.

24 (a) On or before July 1 of each year, each insurer and the Maryland
25 Automobile Insurance Fund shall file data about the geographic distribution of
26 private passenger premium written by [it] THE INSURER AND THE MARYLAND
27 AUTOMOBILE INSURANCE FUND in the State for the preceding calendar year.

28 (B) ON OR BEFORE OCTOBER 1 OF EACH YEAR, EACH INSURER SHALL FILE
29 DATA ABOUT THE GEOGRAPHIC DISTRIBUTION OF HOMEOWNERS PREMIUM
30 WRITTEN BY THE INSURER IN THE STATE FOR THE PRECEDING CALENDAR YEAR.

31 [(b)] (C) The data required under this section shall:

32 (1) be filed with the Commissioner in the form required by the
33 Commissioner; and

1 (2) at a minimum, detail the amount of private passenger premium
2 written by the insurer and the Maryland Automobile Insurance Fund AND THE
3 AMOUNT OF HOMEOWNERS PREMIUM WRITTEN BY THE INSURER in the preceding
4 calendar year and the number of policies represented by that premium:

5 (i) in the State as a whole; and

6 (ii) in Baltimore City.

7 [(c)] (D) The data shall be submitted by each rating territory or each zip code,
8 or both.

9 [(d)] (E) Failure by the insurer or the Maryland Automobile Insurance Fund
10 to submit the data required under this section on a timely basis is grounds for the
11 imposition of the penalties provided in §§ 4-113 and 4-114 of this article.

12 11-326.

13 (a) (1) Notwithstanding any other provision of law, any data, documents, or
14 other information filed with the Commissioner under Part IV of this subtitle about a
15 particular insurer or that insurer's market share or plan:

16 (i) shall be considered confidential commercial information;

17 (ii) shall be kept confidential by the Commissioner; and

18 (iii) may not be made public or be subject to subpoena, other than by
19 the Commissioner for the purpose of enforcement of Part IV of this subtitle by the
20 Commissioner.

21 (2) The Commissioner:

22 (i) may release a list of the names of all insurers designated as
23 major insurers; and

24 (ii) may not release the particular market share of a major insurer
25 in Baltimore City unless authorized by the insurer.

26 (b) (1) On or before July 1, 1997, the Commissioner shall submit a report to
27 the Governor and, subject to § 2-1246 of the State Government Article, the General
28 Assembly about the availability and affordability of private passenger motor vehicle
29 insurance in Baltimore City.

30 (2) The report shall provide information on:

31 (i) the number of insurers actively engaged in providing coverage
32 in Baltimore City;

33 (ii) the market shares of insurers in the market in Baltimore City;

1 (iii) the changes in market shares of insurers in the market in
2 Baltimore City; and

3 (iv) whether insurance is available from insurers other than the
4 Maryland Automobile Insurance Fund.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
6 effect ~~October 1, 1999~~ January 1, 2000. It shall remain effective for a period of four
7 and one half years and, at the end of June 30, 2004, with no further action required by
8 the General Assembly, this Act shall be abrogated and of no further force and effect.