

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 283

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “for Late Payment of Premiums” and substitute “and Installment Fees”; in line 6, strike “fee” and substitute “fees and installment fees”; strike beginning with “make” in line 6 down through “fee” in line 7 and substitute “review certain expenses associated with late payments or installment payments; prohibiting the imposition of a late fee during certain grace periods; requiring an insurer to credit certain payments to certain premiums under certain circumstances”; in line 8, after “fee” insert “or single installment fee”; and in line 9, strike “for late payment of premiums for insurance” and substitute “and installment fees imposed by an insurer”.

AMENDMENT NO. 2

On page 2, in line 19, strike “AND (IV)” and substitute “(IV), AND (V)”; and strike in their entirety lines 24 through 30, inclusive, and substitute:

“(II) THE COMMISSIONER SHALL REVIEW ADMINISTRATIVE EXPENSES SUBMITTED BY AN INSURER THAT ARE ASSOCIATED WITH LATE PAYMENTS OR INSTALLMENT PAYMENTS, AND MAY APPROVE A LATE FEE OR INSTALLMENT FEE NOT TO EXCEED \$10.

(III) A LATE FEE MAY NOT BE IMPOSED DURING ANY GRACE PERIOD REQUIRED BY LAW OR REGULATION ON A POLICY OF INSURANCE.

(IV) AN INSURER SHALL CREDIT EACH PAYMENT RECEIVED FROM AN INSURED TO THE PREMIUM OWED BY THE INSURED BEFORE CREDITING THE PAYMENT TO A LATE FEE OR INSTALLMENT FEE OWED BY THE INSURED.

(V) A POLICY OF INSURANCE MAY NOT BE CANCELED FOR THE FAILURE TO PAY A SINGLE LATE FEE OR SINGLE INSTALLMENT FEE.”.