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By: **Chairman, Economic Matters Committee (By Request - Departmental -  
Automobile Insurance Fund)**

Introduced and read first time: January 23, 2006

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Insurance - Maryland Automobile Insurance Fund - Use of Moneys and**  
3 **Property - Duties of Board of Trustees**

4 FOR the purpose of authorizing the use of moneys and property available to the  
5 Maryland Automobile Insurance Fund for a certain plan; requiring the Board of  
6 Trustees of the Fund to develop a plan for certain purposes; and generally  
7 relating to the Maryland Automobile Insurance Fund.

8 BY repealing and reenacting, with amendments,  
9 Article - Insurance  
10 Section 20-301  
11 Annotated Code of Maryland  
12 (2002 Replacement Volume and 2005 Supplement)

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

15 **Article - Insurance**

16 20-301.

17 (a) The purpose of the Fund is to provide the financial security required under  
18 § 17-103 of the Transportation Article to those eligible persons that are unable to  
19 obtain it from an Association member.

20 (b) Moneys of the Fund consist of revenues, premiums, and other receipts  
21 provided by law.

22 (c) (1) All operating expenses of the Fund shall be paid from the moneys  
23 collected by or for the Fund.

24 (2) (i) Subject to subparagraphs (ii) through (iv) of this paragraph,  
25 moneys and property available to the Fund may be used for THE PLAN REQUIRED  
26 UNDER SUBSECTION (D) OF THIS SECTION AND FOR the general purposes of the Fund.

1 (ii) Premiums collected and income accruing from those premiums  
2 may be used only for the payment of claims arising under policies issued by the Fund  
3 and for the administrative expenses of the Fund.

4 (iii) The Fund shall keep separate records of any income and  
5 expenses directly attributable to the processing and payment of unsatisfied claims  
6 under Subtitle 6 of this title.

7 (iv) The Fund shall keep separate records of any income and  
8 expenses directly attributable to its commercial policy and claims operations.

9 (D) THE BOARD OF TRUSTEES SHALL HAVE A PLAN TO PROMOTE THE  
10 BENEFITS OF MAINTAINING MOTOR VEHICLE INSURANCE, DISCOURAGE DRIVING BY  
11 UNINSURED MOTORISTS, AND SUPPORT FRAUD AND THEFT PREVENTION EFFORTS.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take  
13 effect October 1, 2006.