

SENATE BILL 544

C4

6lr2804
CF 6lr0622

By: **Senator Middleton**

Introduced and read first time: February 4, 2016

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Insurance – Insurance Identification Card – Carrying Proof of**
3 **Coverage – Uninsured Motorist Education and Enforcement Fund**

4 FOR the purpose of requiring a certain insurer to provide a certain insurance identification
5 card to certain insureds at certain times; providing that an insurance identification
6 card may be produced in a certain electronic format; providing that the insurance
7 identification card shall be valid for only a certain period except under certain
8 circumstances; requiring a certain operator to be in possession of or carry in the
9 motor vehicle at certain times certain evidence of required security; providing that a
10 certain identification insurance card is a form of evidence of a certain required
11 security; allowing a certain evidence of required security to be produced in a certain
12 electronic format; providing for a certain fine; establishing the Uninsured Motorist
13 Education and Enforcement Fund as a special, nonlapsing fund; providing that a
14 certain fine may not be waived and shall be deposited into the Fund; specifying the
15 purpose of the Fund; requiring the Motor Vehicle Administration to administer the
16 Fund; providing that the Fund consists of certain revenues, interest, and other
17 money; specifying the uses of the Fund; authorizing the Administration to delay the
18 imposition of a certain fine for a certain period of time for a certain purpose;
19 authorizing the Administration to adopt regulations; authorizing the Administration
20 to accept funding or another form of support from the Uninsured Claim and
21 Judgment Fund of the Maryland Automobile Insurance Fund for a certain purpose;
22 defining certain terms; and generally relating to carrying proof of coverage,
23 educating operators of motor vehicles about and enforcing the Maryland Vehicle
24 Law, and motor vehicle insurance.

25 BY adding to
26 Article – Insurance
27 Section 19–503.1
28 Annotated Code of Maryland
29 (2011 Replacement Volume and 2015 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Transportation
3 Section 17–104.2
4 Annotated Code of Maryland
5 (2012 Replacement Volume and 2015 Supplement)

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

8 **Article – Insurance**

9 **19–503.1.**

10 (A) IN THIS SECTION, “INSURANCE IDENTIFICATION CARD” MEANS A CARD
11 ISSUED BY OR ON BEHALF OF AN INSURER, IN A FORM THAT THE COMMISSIONER
12 PRESCRIBES OR APPROVES, AS AN INDICATION THAT THE INSURER HAS ISSUED A
13 MOTOR VEHICLE LIABILITY INSURANCE POLICY MEETING THE REQUIREMENTS OF
14 THIS SUBTITLE.

15 (B) (1) AN INSURER THAT ISSUES, SELLS, OR DELIVERS A MOTOR
16 VEHICLE LIABILITY INSURANCE POLICY IN THE STATE SHALL PROVIDE TO AN
17 INSURED AT THE TIME THE MOTOR VEHICLE LIABILITY INSURANCE POLICY IS
18 INITIALLY ISSUED AND AT EACH RENEWAL AN INSURANCE IDENTIFICATION CARD
19 THAT INDICATES:

20 (I) THE FIRST NAMED INSURED ON THE MOTOR VEHICLE
21 LIABILITY INSURANCE POLICY;

22 (II) THE MOTOR VEHICLE COVERED UNDER THE MOTOR
23 VEHICLE LIABILITY INSURANCE POLICY;

24 (III) THE PERIOD FOR WHICH COVERAGE UNDER THE MOTOR
25 VEHICLE LIABILITY INSURANCE POLICY IS IN EFFECT; AND

26 (IV) ANY OTHER INFORMATION THE COMMISSIONER REQUIRES.

27 (2) (I) IF AN INSURED AND AN INSURER BOTH CONSENT, AN
28 INSURANCE IDENTIFICATION CARD MAY BE PRODUCED IN ELECTRONIC FORMAT.

29 (II) ACCEPTABLE ELECTRONIC FORMATS INCLUDE DISPLAY OF
30 ELECTRONIC IMAGES ON A CELLULAR PHONE OR ANY OTHER TYPE OF PORTABLE
31 ELECTRONIC DEVICE.

1 **(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
2 **PARAGRAPH, AN INSURANCE IDENTIFICATION CARD SHALL BE VALID ONLY FOR THE**
3 **PERIOD FOR WHICH MOTOR VEHICLE LIABILITY INSURANCE COVERAGE HAS BEEN**
4 **PAID BY THE INSURED.**

5 **(II) IF THE INSURED IS ON AN INSURER-SPONSORED PAYMENT**
6 **PLAN OR HAS FINANCED PREMIUMS THROUGH A PREMIUM FINANCE COMPANY, THE**
7 **INSURANCE IDENTIFICATION CARD MAY BE ISSUED FOR PERIODS OF 6 MONTHS**
8 **EVEN IF THE PAYMENT BY THE INSURED IS FOR A PERIOD OF LESS THAN 6 MONTHS.**

9 **Article – Transportation**

10 **17-104.2.**

11 **(A) IN THIS SECTION, “FUND” MEANS THE UNINSURED MOTORIST**
12 **EDUCATION AND ENFORCEMENT FUND.**

13 **(B) THE OPERATOR OF A MOTOR VEHICLE THAT IS REQUIRED TO BE**
14 **REGISTERED IN THIS STATE SHALL:**

15 **(1) BE IN POSSESSION OF, OR CARRY IN THE MOTOR VEHICLE,**
16 **EVIDENCE OF THE REQUIRED SECURITY FOR THE MOTOR VEHICLE, WHEN**
17 **OPERATING THE MOTOR VEHICLE ON A HIGHWAY IN THE STATE; AND**

18 **(2) PRESENT EVIDENCE OF THE REQUIRED SECURITY ON THE**
19 **REQUEST OF A LAW ENFORCEMENT OFFICER.**

20 **(C) (1) AN INSURANCE IDENTIFICATION CARD ISSUED BY OR ON BEHALF**
21 **OF A MOTOR VEHICLE INSURER UNDER § 19-504.1 OF THE INSURANCE ARTICLE IS**
22 **A FORM OF EVIDENCE OF THE REQUIRED SECURITY FOR THE MOTOR VEHICLE.**

23 **(2) EVIDENCE OF THE REQUIRED SECURITY MAY BE PRODUCED IN**
24 **ELECTRONIC FORMAT, INCLUDING DISPLAY OF ELECTRONIC IMAGES ON A**
25 **CELLULAR PHONE OR ANY OTHER TYPE OF PORTABLE ELECTRONIC DEVICE.**

26 **(D) (1) A PERSON WHO VIOLATES SUBSECTION (B) OF THIS SECTION IS**
27 **SUBJECT TO A FINE OF \$50.**

28 **(2) THE FINE UNDER PARAGRAPH (1) OF THIS SUBSECTION:**

29 **(I) EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION,**
30 **MAY NOT BE WAIVED; AND**

1 (II) SHALL BE DEPOSITED IN THE FUND.

2 (E) (1) THERE IS AN UNINSURED MOTORIST EDUCATION AND
3 ENFORCEMENT FUND.

4 (2) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR THE
5 EDUCATION OF OPERATORS ABOUT, AND THE ENFORCEMENT OF, SECURITY
6 REQUIREMENTS FOR MOTOR VEHICLES UNDER THE MARYLAND VEHICLE LAW.

7 (3) THE ADMINISTRATION SHALL ADMINISTER THE FUND.

8 (4) (I) THE FUND IS A SPECIAL, NONLAPSING REVOLVING FUND
9 THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT
10 ARTICLE.

11 (II) THE STATE TREASURER SHALL HOLD THE FUND
12 SEPARATELY AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

13 (5) THE FUND CONSISTS OF:

14 (I) REVENUES DEPOSITED TO THE FUND UNDER SUBSECTION
15 (D) OF THIS SECTION;

16 (II) INTEREST EARNINGS OF THE FUND; AND

17 (III) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED
18 FOR THE BENEFIT OF THE FUND.

19 (6) MONEY IN THE FUND SHALL BE USED FOR:

20 (I) THE ADMINISTRATION OF THE FUND; AND

21 (II) THE EDUCATION OF OPERATORS OF MOTOR VEHICLES
22 ABOUT, AND THE ENFORCEMENT OF, SECURITY REQUIREMENTS FOR MOTOR
23 VEHICLES UNDER THE MARYLAND VEHICLE LAW.

24 (F) THE ADMINISTRATION MAY ADOPT REGULATIONS TO CARRY OUT THIS
25 SECTION.

26 SECTION 2. AND BE IT FURTHER ENACTED, That the Administration may delay
27 the imposition of a fine under this Act to allow a period of time that the Administration
28 determines is sufficient for the education of operators of motor vehicles about the
29 requirement to carry evidence of required security under § 17-104.2(b) of the
30 Transportation Article, as enacted by Section 1 of this Act.

1 SECTION 3. AND BE IT FURTHER ENACTED, That the Motor Vehicle
2 Administration may accept funding for the Uninsured Motorist Education and
3 Enforcement Fund established under § 17–104.2 of the Transportation Article, as enacted
4 by Section 1 of this Act, or another form of support from the Uninsured Claim and
5 Judgment Fund of the Maryland Automobile Insurance Fund to assist in educating
6 operators of motor vehicles about the requirement to carry evidence of required security
7 under § 17–104.2(b) of the Transportation Article, as enacted by Section 1 of this Act.

8 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2016.