SENATE BILL 290

C4 7lr1941

By: Senator Middleton

Introduced and read first time: January 20, 2017

Assigned to: Finance

AN ACT concerning

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A BILL ENTITLED

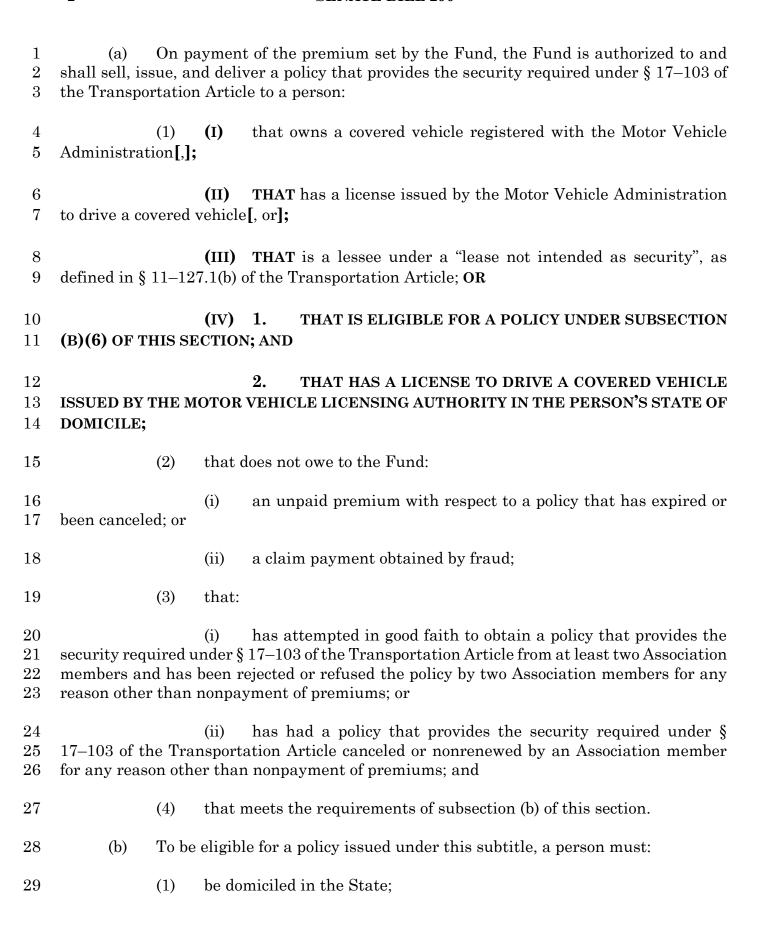
Policies - Eligibility and Producer Charge

| 2 | Maryland Automobile Insurance Fund - Motor Vehicle Liability Insurance |
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4 FOR the purpose of authorizing and requiring the Maryland Automobile Insurance Fund, 5 under certain circumstances, to sell, issue, and deliver a motor vehicle liability 6 insurance policy that provides a certain security to a person that is eligible for a 7 policy under a certain provision of this Act and has a certain license; providing that 8 a person that commutes to a full-time job in the State and resides in a state that is 9 immediately adjacent to this State is eligible for a certain policy; increasing the maximum charge that a fund producer may charge and collect as actual expenses 10 11 incurred in placing automobile insurance with the Fund; and generally relating to 12 the Fund and motor vehicle liability insurance policies.

- 13 BY repealing and reenacting, with amendments,
- 14 Article Insurance
- 15 Section 20–502(a) and (b) and 27–216(b)(2)(iv)
- 16 Annotated Code of Maryland
- 17 (2011 Replacement Volume and 2016 Supplement)
- 18 BY repealing and reenacting, without amendments,
- 19 Article Insurance
- 20 Section 20–502(d) and 27–216(b)(1)
- 21 Annotated Code of Maryland
- 22 (2011 Replacement Volume and 2016 Supplement)
- 23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 24 That the Laws of Maryland read as follows:
- 25 Article Insurance
- 26 20–502.





- 1 (2) own, lease, or rent a primary place of residence in the State and, 2 regardless of the person's domicile, reside in the State for more than 1 year; 3 (3)maintain a main or branch office or warehouse facility in the State, and 4 base and operate motor vehicles intrastate in the State; 5 have filed as a State resident for income tax purposes; [or] **(4)** 6 have a nonresident permit issued under § 13-402.1(e) of the (5)7 Transportation Article; OR 8 **(6)** COMMUTE TO A FULL-TIME JOB IN THE STATE; AND **(I)** 9 (II) RESIDE IN A STATE THAT IS IMMEDIATELY ADJACENT TO 10 THE STATE. 11 The eligibility of an applicant for insurance from the Fund shall be certified 12 at a time and in a manner approved by the Fund. 13 27 - 216. 14 (b) (1) A person may not willfully collect a premium or charge for insurance 15 that: 16 (i) exceeds or is less than the premium or charge applicable to that insurance under the applicable classifications and rates as filed with and approved by the 17 18 Commissioner; or 19 if classifications, premiums, or rates are not required by this (ii) 20 article to be filed with and approved by the Commissioner, exceeds or is less than the 21premium or charge specified in the policy and set by the insurer. 22(2)Paragraph (1) of this subsection does not prohibit: 23(iv) a fund producer from charging and collecting, as actual expenses 24incurred in placing automobile insurance with the Maryland Automobile Insurance Fund: 251. a maximum charge of [\$10] \$25 plus \$1 more than the 26 actual charge by the Motor Vehicle Administration for a driving record required to be 27 presented with the application, unless otherwise provided by the Fund; or 2. 28 the amount provided in subsection (e) of this section.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 30 October 1, 2017.