

SENATE BILL 1131

C4

8lr3682

By: **Senator Middleton**

Introduced and read first time: February 16, 2018

Assigned to: Rules

Re-referred to: Finance, February 23, 2018

Committee Report: Favorable

Senate action: Adopted

Read second time: March 15, 2018

CHAPTER _____

1 AN ACT concerning

2 **Motor Vehicle Insurance – Commercial Policies – Insurance Identification Card**

3 FOR the purpose of allowing a certain insurance identification card to be issued for a
4 certain period for a certain commercial motor vehicle insurance policy covering a
5 certain number of vehicles even if the payment by the insured is for less than a
6 certain period; and generally relating to insurance identification cards issued for
7 commercial motor vehicle insurance policies.

8 BY repealing and reenacting, with amendments,

9 Article – Insurance

10 Section 19–503.1

11 Annotated Code of Maryland

12 (2017 Replacement Volume)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

14 That the Laws of Maryland read as follows:

15 **Article – Insurance**

16 19–503.1.

17 (a) In this section, “insurance identification card” means a card issued by or on
18 behalf of an insurer, in a form that the Commissioner prescribes or approves, as an
19 indication that the insurer has issued a motor vehicle liability insurance policy meeting the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 requirements of this subtitle.

2 (b) (1) An insurer that issues, sells, or delivers a motor vehicle liability
3 insurance policy in the State shall provide to an insured at the time the motor vehicle
4 liability insurance policy is initially issued and at each renewal an insurance identification
5 card that indicates:

6 (i) the first named insured on the motor vehicle liability insurance
7 policy;

8 (ii) the motor vehicle covered under the motor vehicle liability
9 insurance policy; and

10 (iii) the period for which coverage under the motor vehicle liability
11 insurance policy is in effect.

12 (2) (i) If an insured and an insurer both consent, an insurance
13 identification card may be produced in electronic format.

14 (ii) Acceptable electronic formats include display of electronic
15 images on a cellular phone or any other type of portable electronic device.

16 (3) (i) Except as provided in [subparagraph (ii)] **SUBPARAGRAPHS (II)**
17 **AND (III)** of this paragraph, an insurance identification card shall be valid only for the
18 period for which motor vehicle liability insurance coverage has been paid by the insured.

19 (ii) If the insured is on an insurer–sponsored payment plan or has
20 financed premiums through a premium finance company, the insurance identification card
21 may be issued for periods of 6 months even if the payment by the insured is for a period of
22 less than 6 months.

23 **(III) FOR A 12–MONTH COMMERCIAL MOTOR VEHICLE LIABILITY**
24 **INSURANCE POLICY COVERING THREE OR MORE VEHICLES, THE INSURANCE**
25 **IDENTIFICATION CARD MAY BE ISSUED FOR A PERIOD OF 12 MONTHS EVEN IF THE**
26 **PAYMENT BY THE INSURED IS FOR A PERIOD OF LESS THAN 12 MONTHS.**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2018.