

Chapter 61

(Senate Bill 165)

AN ACT concerning

Insurance – Industry Automobile Insurance Association – Board of Directors

FOR the purpose of altering the nominating entity for certain Industry Automobile Insurance Association board members; making conforming changes; and generally relating to the Industry Automobile Insurance Association.

BY repealing and reenacting, with amendments,
 Article – Insurance
 Section 20–403
 Annotated Code of Maryland
 (2017 Replacement Volume and 2019 Supplement)

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

Article – Insurance

20–403.

- (a) There is a Board of Directors to administer the Association.
- (b) (1) The Board of Directors consists of nine members elected by Association members.
- (2) Of the nine members of the Board of Directors:
- (i) [two shall be nominated by the American Insurance Association;
- (ii) two] **FOUR** shall be nominated by the **AMERICAN** Property Casualty ~~Insurers~~ **INSURANCE** Association [of America];
- [(iii)] **(II)** one shall be associated with a domestic insurer that is not affiliated with [a group listed in item (i) or (ii) of this paragraph] **THE AMERICAN PROPERTY CASUALTY ~~INSURERS~~ INSURANCE ASSOCIATION**;
- [(iv)] **(III)** two may not be affiliated with a member company of [a group listed in item (i) or (ii) of this paragraph] **THE AMERICAN PROPERTY CASUALTY ~~INSURERS~~ INSURANCE ASSOCIATION** or with a domestic insurer that is otherwise represented on the Board of Directors; and

[(v)] (IV) two shall be nominated by the members of the Board of Directors selected under items (i) through [(iv)] (III) of this paragraph.

(3) The term of a member of the Board of Directors is 1 year.

(4) If [a group listed in paragraph (2)(i) or (ii) of this subsection] **THE AMERICAN PROPERTY CASUALTY ~~INSURERS~~ INSURANCE ASSOCIATION** fails to submit the name of a nominee at least 10 days before the election, the requirement that [two] **FOUR** directors be from among nominees of that group need not be met for that year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2020.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 8, 2020.