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**By: Delegate Kach**

Introduced and read first time: February 1, 1996

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Accident History Reports - Maryland Automobile Insurance Fund - Premium Finance**  
3 **Companies**

4 FOR the purpose of authorizing the Maryland Automobile Insurance Fund to sponsor a  
5 premium finance company to obtain certain accident history reports under certain  
6 circumstances; authorizing a premium finance company to obtain accident history  
7 reports under certain circumstances; allowing a premium finance company to charge  
8 and collect certain actual expenses for obtaining accident history reports under  
9 certain circumstances; and generally relating to obtaining certain accident history  
10 reports for the placement of policies through the Maryland Automobile Insurance  
11 Fund.

12 BY repealing and reenacting, with amendments,  
13 Article 48A - Insurance Code  
14 Section 230(i)  
15 Annotated Code of Maryland  
16 (1994 Replacement Volume and 1995 Supplement)

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

19 **Article 48A - Insurance Code**

20 230.

21 (i) (1) (i) In this subsection, "accident history report" means a report that  
22 details a person's accident history.

23 (ii) "Accident history report" includes a comprehensive loss  
24 underwriting exchange automobile report (CLUE report).

25 (iii) "Accident history report" does not include a report that details a  
26 person's credit standing or history.

27 (2) (i) The Maryland Automobile Insurance Fund may sponsor an [agent  
28 or broker] AGENT, BROKER, OR PREMIUM FINANCE COMPANY REGISTERED UNDER  
29 § 486B OF THIS ARTICLE for the purpose of obtaining accident history reports directly  
30 from any person that provides accident history reports.

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1 (ii) When placing automobile insurance through the Fund, any [agent  
2 or broker] AGENT, BROKER, OR PREMIUM FINANCE COMPANY sponsored by the Fund  
3 under this paragraph is authorized to obtain accident history reports directly from any  
4 person that provides accident history reports.

5 (3) Unless provided otherwise by the Fund, a person providing accident  
6 history reports to an [agent or broker] AGENT, BROKER, OR PREMIUM FINANCE  
7 COMPANY that is sponsored by the Fund under paragraph (2) of this subsection shall  
8 direct all billing for the reports to the [agent or broker] AGENT, BROKER, OR PREMIUM  
9 FINANCE COMPANY.

10 (4) The provisions of subsection (b)(1) of this section may not be deemed to  
11 prohibit an [agent or broker] AGENT, BROKER, OR PREMIUM FINANCE COMPANY  
12 from charging and collecting actual expenses that are imposed by a person for providing  
13 accident history reports under this subsection that are in connection with the placement  
14 of automobile insurance through the Fund.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 October 1, 1996.