

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 460 (Delegate Barve)
Economic Matters

Insurance - Unfair Claim Settlement Practices

This bill requires an insurer to pay a claim on an insured item based on the certified appraisal of that item by providing that failure to do is an unfair claim settlement practice.

Fiscal Summary

State Effect: Potential minimal increase in general fund revenue due to the law's penalty provision for unfair claim settlement practices. No impact on expenditures.

Local Effect: None.

Fiscal Summary

State Revenue: The Insurance Commissioner may impose a penalty of up to \$500 for each violation of the law relating to an unfair claim settlement practice. Since the bill expands the definition of an unfair claim settlement practice, the State could collect additional revenue in administrative penalties. Any increase is expected to be minimal.

Information Source(s): Maryland Insurance Administration

Fiscal Note History: First Reader - February 14, 1996

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