

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

Senate Bill 469 (Senator Astle)  
Finance

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**Maryland Automobile Insurance Fund - Placement Charge**

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This bill increases the maximum charge allowed by agents or brokers from \$10 to \$20 for the placement of automobile insurance through the Maryland Automobile Insurance Fund.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** None.

**Maryland Automobile Insurance Fund (MAIF):** Increasing the placement fee would not directly affect MAIF's finances.

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**Fiscal Analysis**

**Additional Comments:** By increasing the placement fee from \$10 to \$20 that agents and brokers may charge for handling each MAIF policy, and assuming a continuance of 187,000 applications per year, an additional \$1,870,000 would be paid to these producers each year. These transactions are handled directly between the applicant and the agent or broker.

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**Information Source(s):** Maryland Automobile Insurance Fund, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 14, 1996  
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Analysis by: E. P. Sayre Direct Inquiries to:

Reviewed by: John Rixey John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710