
By: Chairman, Economic Matters Committee (Departmental - Automobile Insurance Fund)

Introduced and read first time: January 15, 1997

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 Maryland Automobile Insurance Fund - Collection of Past-Due Premium

3 FOR the purpose of clarifying the statutory authority of the Maryland Automobile
4 Insurance Fund (MAIF) to use the Maryland Tax Refund Intercept Program to
5 collect unpaid, past-due premiums from current or former MAIF insureds; and
6 generally relating to the Maryland Automobile Insurance Fund.

7 BY repealing and reenacting, with amendments,
8 Article - Insurance
9 Section 20-515
10 Annotated Code of Maryland
11 (1996 Replacement Volume)
12 (As enacted by Chapter 11 of the Acts of the General Assembly of 1996)

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

15 Article - Insurance

16 20-515.

17 (a) The Fund may use the Maryland Tax Refund Intercept Program to recover
18 money owed to the Fund by a producer if the Fund makes a demand for the money and
19 the producer does not make payment.

20 (b) (1) If the Fund makes payment to a claimant, the Fund is subrogated to the
21 rights of the claimant against a responsible party and is entitled to recover all money that
22 the Fund paid out and actual collection costs, including reasonable attorney's fees.

23 (2) The Fund may recover FROM ITS INSUREDS ALL PAST-DUE
24 PREMIUMS AND from the responsible party all money that the Fund paid out under this
25 subtitle in any manner provided by law, including the Maryland Tax Refund Intercept
26 Program.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 1997.