

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 68 (Senator Boozer)
Finance

Insurance - Agents or Brokers - Termination of Agency Agreement

This bill prohibits insurers from terminating or refusing to renew written agreements with insurance agents or brokers about insurance unless the insurer complies with specified current law requirements. Under current law, insurers are only prohibited from canceling such agreements unless the insurer complies with the requirements. This bill does not apply to policies of life, health, surety, wet marine and transportation, or title insurance.

Fiscal Summary

State Effect: None. The change would not directly affect governmental finances.

Local Effect: None.

Small Business Effect: Potential meaningful impact on small businesses as discussed below.

Fiscal Analysis

Small Business Effect: To the extent that this bill results in fewer terminations or refusals to renew contracts with insurance agents or brokers, insurance agencies, nearly all of which are small businesses, would benefit because of the continuation of their business arrangements.

Information Source(s): Maryland Insurance Administration, Department of Fiscal Services

Fiscal Note History: First Reader - January 24, 1997

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