

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL NO. 488

(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, after “fee” insert “or certain other amounts”; in line 6, after “eligibility” insert “under certain circumstances”; and in the same line, before “and” insert “requiring the Insurance Fraud Division in the Maryland Insurance Administration to submit certain reports;”.

AMENDMENT NO. 2

On page 3, in line 7, after “(2)” insert “(I) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS PARAGRAPH,”;

in line 8, after “COLLECT” insert “THE GREATER OF:

1.”;

in line 9, after “EXPENSES” insert “; OR

2. THE AMOUNT THAT THE PERSON WOULD HAVE RECEIVED AFTER THE FUND RETURNS TO A PRODUCER, OR ANY OTHER PERSON OTHER THAN THE PERSON WHO FAILS TO MEET THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION, ANY GROSS UNEARNED PREMIUMS THAT ARE DUE UNDER THE POLICY”;

and after line 9, insert:

“(II) PRIOR TO CHARGING AND COLLECTING A POLICY PROCESSING FEE OR THE AMOUNT ALLOWED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE FUND SHALL REFER TO THE INSURANCE FRAUD DIVISION IN THE ADMINISTRATION FOR INVESTIGATION AND POSSIBLE PROSECUTION OF THE

(Over)

PERSON WHO FAILS TO MEET THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION.”.

AMENDMENT NO. 3

On page 3, before line 10, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Insurance Fraud Division in the Maryland Insurance Administration shall submit a preliminary summary report on or before October 1, 1999 and a final summary report on or before October 1, 2000 to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly on the number of cases of possible insurance fraud that were referred for investigation and possible prosecution to the Insurance Fraud Division by the Maryland Automobile Insurance Fund, as required under this Act, and the results of the investigations and prosecutions, if any.”;

and in line 10, strike “2.” and substitute “3.”.