

HOUSE BILL 816

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1998 Regular Session
8r1765
CF 8r2273

By: **Delegate Donoghue**
Introduced and read first time: February 12, 1998
Assigned to: Economic Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 27, 1998

CHAPTER _____

1 AN ACT concerning

2 **Insurance - Administrative Hearings - Representation of ~~Corporations~~**
3 **Insurers**

4 FOR the purpose of requiring the Insurance Commissioner to allow ~~any~~ an insurer
5 that is a party to a hearing held by the Insurance Commissioner to appear
6 ~~through a designee~~ be represented by a certain designee of the insurer;
7 authorizing an individual who is not licensed to practice law in the State and
8 who is a designee of ~~a corporation~~ an insurer to represent ~~the corporation~~ the
9 insurer in a proceeding before the Office of Administrative Hearings while
10 appearing on behalf of the ~~corporation~~ insurer in an administrative hearing
11 under the Insurance Article; and generally relating to representation of
12 ~~corporations~~ insurers in administrative hearings under the Insurance Article.

13 BY repealing and reenacting, with amendments,
14 Article - Insurance
15 Section 2-213(b)(1)
16 Annotated Code of Maryland
17 (1997 Volume)

18 BY repealing and reenacting, with amendments,
19 Article - State Government
20 ~~Section 9-1607.1(a)(3)~~
21 Section 9-1607.1(a)(3) and (4)
22 Annotated Code of Maryland
23 (1995 Replacement Volume and 1997 Supplement)

24 BY adding to

1 Article - State Government
 2 Section 9-1607.1(a)(5)
 3 Annotated Code of Maryland
 4 (1995 Replacement Volume and 1997 Supplement)

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

7 **Article - Insurance**

8 2-213.

9 (b) (1) The Commissioner shall allow any party to a hearing to:

10 (i) appear in person ~~OR THROUGH A DESIGNEE~~ [and];

11 (II) be represented:

12 1. by counsel; OR

13 2. IN THE CASE OF AN INSURER, BY A DESIGNEE OF THE
 14 INSURER WHO:

15 A. IS EMPLOYED BY THE INSURER IN CLAIMS,
 16 UNDERWRITING, OR AS OTHERWISE PROVIDED BY THE COMMISSIONER; AND

17 B. HAS BEEN GIVEN THE AUTHORITY BY THE INSURER TO
 18 RESOLVE ALL ISSUES INVOLVED IN THE HEARING;

19 [(ii)] (III) be present while evidence is given;

20 [(iii)] (IV) have a reasonable opportunity to inspect all documentary
 21 evidence and to examine witnesses; and

22 [(iv)] (V) present evidence.

23 **Article - State Government**

24 9-1607.1.

25 (a) An individual who is not licensed to practice law in this State may
 26 represent a party in a proceeding before the Office if:

27 (3) the individual is a designee of a corporation while appearing on its
 28 behalf in an administrative proceeding held under {§ 27-605 of} the Insurance
 29 Article; ~~or~~

30 (4) the individual is an officer of a corporation, an employee designated
 31 by an officer of a corporation, a general partner in a business operated as a
 32 partnership or an employee designated by a general partner, or an employee

1 designated by the owner of a business operated as a sole proprietorship while the
2 officer, partner, or employee is appearing on behalf of the corporation, partnership, or
3 business in an administrative hearing held under:

4 (i) § 8-312 of the Business Regulation Article (Home Improvement
5 Commission);

6 (ii) Title 5 of the Labor and Employment Article (Occupational
7 Safety and Health); or

8 (iii) regulations adopted pursuant to § 14-303 of the State Finance
9 and Procurement Article, concerning the decertification of a minority business
10 enterprise to conduct business with the Department of Transportation[.]; OR

11 (5) IN THE CASE OF AN INSURER, THE INDIVIDUAL IS A DESIGNEE OF
12 THE INSURER WHO:

13 (I) IS EMPLOYED BY THE INSURER IN CLAIMS, UNDERWRITING, OR
14 AS OTHERWISE PROVIDED BY THE COMMISSIONER; AND

15 (II) HAS BEEN GIVEN THE AUTHORITY BY THE INSURER TO
16 RESOLVE ALL ISSUES INVOLVED IN THE PROCEEDING.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 June 1, 1998.