

By: **Delegate McClenahan**

Introduced and read first time: February 16, 1998

Assigned to: Rules and Executive Nominations

Re-referred to: Commerce and Government Matters, February 23, 1998

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 27, 1998

CHAPTER _____

1 AN ACT concerning

2 **Vehicle Laws - Motor Vehicle Administration - Reporting of Insurance**
3 **Policies Issued or Renewed - Reports**

4 FOR the purpose of authorizing the Motor Vehicle Administration (MVA) to establish
5 and implement a system for each insurer or provider of the required vehicle
6 security to report to the Administration all policies issued ~~or renewed for~~
7 ~~licensed drivers~~ for vehicles registered in the State; requiring the MVA to
8 operate the reporting system and not contract with an outside entity for its
9 operation; prohibiting the disclosure of certain insurance information;
10 restricting mandatory reporting prior to a certain date; and generally relating to
11 lapse of required security reports to the Motor Vehicle Administration of
12 insurance policies issued for vehicles registered in the State.

13 BY adding to
14 Article - Transportation
15 Section ~~17-106(f)~~ 17-106.1
16 Annotated Code of Maryland
17 (1992 Replacement Volume and 1997 Supplement)

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

1

Article - Transportation2 ~~17-106.~~ 17-106.1

3 ~~(F)~~ (A) ~~BEFORE JULY 1, 1999,~~ THE ADMINISTRATION MAY ESTABLISH AND
4 IMPLEMENT A SYSTEM FOR EACH INSURER OR OTHER PROVIDER OF THE SECURITY
5 REQUIRED BY § ~~17-203~~ 17-103 OF THIS ~~ARTICLE~~ SUBTITLE TO REPORT TO THE
6 ADMINISTRATION ALL POLICIES ISSUED ~~OR RENEWED FOR DRIVERS LICENSED FOR~~
7 VEHICLES REGISTERED IN THE STATE.

8 (B) (1) THE ADMINISTRATION SHALL OPERATE THE REPORTING SYSTEM
9 DEVELOPED UNDER SUBSECTION (A) OF THIS SECTION AND MAY NOT CONTRACT
10 WITH AN OUTSIDE ENTITY FOR THE OPERATION OF THE SYSTEM.

11 (2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO
12 PROHIBIT THE ADMINISTRATION FROM CONTRACTING WITH AN OUTSIDE ENTITY
13 FOR THE DESIGN OR DEVELOPMENT OF THE REPORTING SYSTEM AUTHORIZED
14 UNDER SUBSECTION (A) OF THIS SECTION.

15 (C) THE ADMINISTRATION MAY NOT DISCLOSE OR ALLOW THE BULK
16 PURCHASE OF ANY INSURANCE INFORMATION SUBMITTED BY INSURERS OR OTHER
17 PROVIDERS UNDER A REPORTING SYSTEM ESTABLISHED UNDER SUBSECTION (A) OF
18 THIS SECTION.

19 SECTION 2. AND BE IT FURTHER ENACTED, That the Motor Vehicle
20 Administration initially shall implement and test the reporting system authorized
21 under Section 1 of this Act using insurers that have volunteered to participate in the
22 system and may not require mandatory participation by any insurer in the reporting
23 system before July 1, 2000.

24 SECTION ~~2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
25 effect October 1, 1998.