### By: **Delegates Frank and Dembrow** Introduced and read first time: February 16, 1998

Assigned to: Rules and Executive Nominations

# A BILL ENTITLED

1 AN ACT concerning

#### 2

### Motor Vehicle Insurance - Excess Liability Coverage - Indemnification

3 FOR the purpose of requiring excess motor vehicle liability coverage to indemnify, up

- 4 to a certain amount, certain individuals who are liable to certain other
- 5 individuals under certain circumstances; and generally relating to excess motor
- 6 vehicle liability coverage.

7 BY repealing and reenacting, with amendments,

8 Article - Insurance

9 Section 19-502(b)

- 10 Annotated Code of Maryland
- 11 (1997 Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

13 MARYLAND, That the Laws of Maryland read as follows:

14

## Article - Insurance

15 19-502.

16 (b) (1) [NEITHER]SUBJECT TO THE PROVISIONS OF PARAGRAPH (2) OF THIS

17 SUBSECTION, NEITHER this subtitle nor Title 17 of the Transportation Article

18 prevents an insurer from issuing, selling, or delivering motor vehicle liability

19 insurance policies that provide liability coverage in excess of the requirements of the

20 Maryland Vehicle Law.

21 (2) MOTOR VEHICLE LIABILITY COVERAGE IN EXCESS OF THE

22 REQUIREMENTS OF THE MARYLAND VEHICLE LAW SHALL INDEMNIFY, UP TO THE

23 AMOUNT OF THE EXCESS COVERAGE, AN INSURED OR OTHER COVERED INDIVIDUAL

24 WHO IS LIABLE TO AN INJURED HOUSEHOLD FAMILY MEMBER.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 26 October 1, 1998.