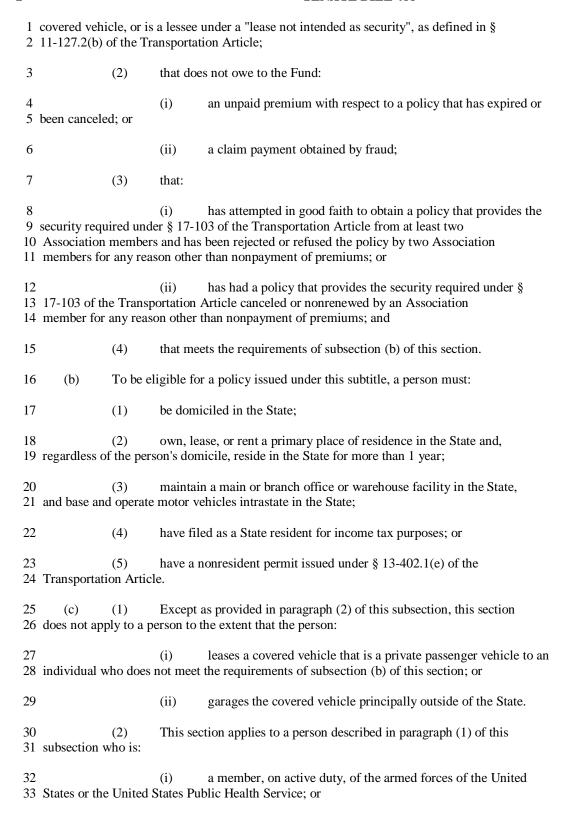
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1998 Regular Session 8lr1730

By: Senator Bromwell Introduced and read first time: February 6, 1998 Assigned to: Finance		
Sen	Committee Report: Favorable Senate action: Adopted Read second time: March 6, 1998	
	CHAPTER	
1	AN ACT concerning	
2 3	Maryland Automobile Insurance Fund - Residential Ineligibility of Insured - Policy Processing Fee	
4 5 6 7	FOR the purpose of authorizing the Maryland Automobile Insurance Fund to charge and collect a processing fee on policies that are void because the insured fails to meet certain residency requirements for eligibility; and generally relating to policies issued by the Maryland Automobile Insurance Fund.	
8 9 10 11 12	Annotated Code of Maryland	
13 14	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:	
15	Article - Insurance	
16	20-502.	
	(a) On payment of the premium set by the Fund, the Fund is authorized to and shall sell, issue, and deliver a policy that provides the security required under § 17-103 of the Transportation Article to a person:	
20 21	(1) that owns a covered vehicle registered with the Motor Vehicle Administration, has a license issued by the Motor Vehicle Administration to drive a	



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- 1 (ii) a student enrolled in an accredited school, college, or university 2 or serving a medical internship.
- 3 (d) The eligibility of an applicant for insurance from the Fund shall be 4 certified at a time and in a manner approved by the Fund.
- 5 (e) (1) If a prospective insured fails to qualify under this section, any policy 6 issued is void and a commission may not be paid by the Fund to a producer.
- 7 (2) IF A PERSON FAILS TO MEET THE REQUIREMENTS OF SUBSECTION 8 (B) OF THIS SECTION, THE FUND MAY CHARGE AND COLLECT A POLICY PROCESSING 9 FEE TO COVER ITS EXPENSES.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 11 October 1, 1998.