

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Revised

House Bill 570 (Delegate Kach. *et al.*)

Economic Matters

Vehicle Laws - Uninsured Motorists - Waiver of Right to Noneconomic Damages

This bill provides that the owner of a motor vehicle who knows or has reason to know that the vehicle is not covered by the required insurance and who is injured in a vehicular accident while driving the vehicle is considered to have waived the right to recover noneconomic damages in an action against a person driving a motor vehicle that is covered by the required insurance. The bill provides for a rebuttable presumption that an individual knows that a motor vehicle is not covered by the required insurance if the insurance has been ineffective for at least 60 days after the date the individual was notified by the Motor Vehicle Administration about the lapse or termination of the insurance coverage, and about the consequences of a lapse or termination of insurance coverage.

The waiver of the right to recover noneconomic loss damages does not apply to an individual: (1) who does not know or have reason to know that the motor vehicle is not covered by the required insurance; or (2) whose injuries are caused by an individual who, in connection with the accident, is convicted of specified crimes or is found to have been driving aggressively.

The exception regarding aggressive driving sunsets on September 30, 1999. The rest of the bill sunsets on September 30, 2003.

Fiscal Summary

State Effect: None. Any impact on insurance premiums and premium tax revenues is assumed to be negligible.

Local Effect: None.

Small Business Effect: None.

Information Source(s): Maryland Insurance Administration, Judiciary (District Court of Maryland), Department of Transportation (Motor Vehicle Administration), Department of Legislative Services

Fiscal Note History: First Reader - March 9, 1998
Inc Revised - House Third Reader - April 1, 1998

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