

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 476 (Senator Kellev. *et al.*)

Finance

Insurers - Third Party Claimants - Notice of Payment to Claimant's Attorney

This bill requires an insurer to provide written notice to a third party claimant of payment of \$2,000 or more in settlement of a third party liability claim for bodily injury if the claimant is an individual and the payment is delivered to the claimant's attorney by check, draft, or other means. Under current law, such notice is authorized, but not required.

Fiscal Summary

State Effect: None. Any additional market conduct review that would be required could be handled by the Maryland Insurance Administration with existing budgeted resources. Any additional administrative or mailing costs incurred by insurance companies are assumed to have a negligible effect on premiums and thus no effect on the 2% premium tax.

Local Effect: None.

Small Business Effect: Potential minimal.

Information Source(s): Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader - February 26, 1998

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