

HOUSE BILL 44

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C4

1999 Regular Session
(9r0052)

ENROLLED BILL
-- Economic Matters/Finance --

Introduced by **Chairman, Economic Matters Committee (Departmental - Insurance Administration, Maryland)**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Insurance - Rate Making - ~~Homeowners~~ Residential Property Premium -**
3 **Geographic Distribution Data**

4 FOR the purpose of requiring certain insurers to file with the Insurance
5 Commissioner certain data about the geographic distribution of ~~homeowners~~
6 residential property premium; establishing a reporting date; defining a certain
7 term; providing for a delayed effective date; providing for the termination of this
8 Act; and generally relating to data about the geographic distribution of
9 ~~homeowners~~ residential property premium.

10 BY repealing and reenacting, with amendments,
11 Article - Insurance
12 Section 11-321, 11-322(a), and 11-323 to be under the amended part "Part IV.
13 Same - Geographic Distribution of ~~Homeowners~~ Residential Property
14 Premium and Private Passenger Premium"
15 Annotated Code of Maryland

1 (1997 Volume and 1998 Supplement)

2 BY repealing and reenacting, without amendments,

3 Article - Insurance

4 Section 11-326

5 Annotated Code of Maryland

6 (1997 Volume and 1998 Supplement)

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

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

9 **Article - Insurance**

10 Part IV. Same - Geographic Distribution of ~~HOMEOWNERS~~ RESIDENTIAL PROPERTY
 11 PREMIUM AND Private Passenger Premium.

12 11-321.

13 (a) In Part IV of this subtitle the following words have the meanings
 14 indicated.

15 (b) "Affiliate" has the meaning stated in § 7-101 of this article.

16 (C) "~~HOMEOWNERS~~ RESIDENTIAL PROPERTY PREMIUM" MEANS THE DIRECT
 17 WRITTEN PREMIUM DERIVED FROM THE SALE OF ~~HOMEOWNERS~~ RESIDENTIAL
 18 PROPERTY INSURANCE POLICIES IN A CALENDAR YEAR.

19 [(c)] (D) "Major insurer" means an insurer or affiliate or subsidiary of that
 20 insurer that has written an amount of private passenger premium in the State that
 21 totals ~~1.5%~~ 0.5% or more of the total premium of private passenger premium written
 22 in the State by all insurers, including the Maryland Automobile Insurance Fund.

23 [(d)] (E) "Private passenger premium" means the direct written premium
 24 derived from the sale of private passenger motor vehicle insurance policies in a
 25 calendar year.

26 [(e)] (F) "Subsidiary" has the meaning stated in § 7-101 of this article.

27 11-322.

28 (a) Part IV of this subtitle applies to each authorized insurer that writes:

29 (1) private passenger motor vehicle insurance in the State; OR

30 (2) ~~HOMEOWNERS~~ RESIDENTIAL PROPERTY INSURANCE IN THE STATE.

31 11-323.

32 (a) On or before July 1 of each year, each insurer and the Maryland
 33 Automobile Insurance Fund shall file data about the geographic distribution of

1 private passenger premium written by [it] THE INSURER AND THE MARYLAND
2 AUTOMOBILE INSURANCE FUND in the State for the preceding calendar year.

3 (B) ON OR BEFORE OCTOBER 1 OF EACH YEAR, EACH INSURER SHALL FILE
4 DATA ABOUT THE GEOGRAPHIC DISTRIBUTION OF ~~HOMEOWNERS~~ RESIDENTIAL
5 PROPERTY PREMIUM WRITTEN BY THE INSURER IN THE STATE FOR THE PRECEDING
6 CALENDAR YEAR.

7 [(b)] (C) The data required under this section shall:

8 (1) be filed with the Commissioner in the form required by the
9 Commissioner; and

10 (2) at a minimum, detail the amount of private passenger premium
11 written by the insurer and the Maryland Automobile Insurance Fund AND THE
12 AMOUNT OF ~~HOMEOWNERS~~ RESIDENTIAL PROPERTY PREMIUM WRITTEN BY THE
13 INSURER in the preceding calendar year and the number of policies represented by
14 that premium:

15 (i) in the State as a whole; and

16 (ii) in Baltimore City.

17 [(c)] (D) The data shall be submitted by each rating territory or each zip code,
18 or both.

19 [(d)] (E) Failure by the insurer or the Maryland Automobile Insurance Fund
20 to submit the data required under this section on a timely basis is grounds for the
21 imposition of the penalties provided in §§ 4-113 and 4-114 of this article.

22 11-326.

23 (a) (1) Notwithstanding any other provision of law, any data, documents, or
24 other information filed with the Commissioner under Part IV of this subtitle about a
25 particular insurer or that insurer's market share or plan:

26 (i) shall be considered confidential commercial information;

27 (ii) shall be kept confidential by the Commissioner; and

28 (iii) may not be made public or be subject to subpoena, other than by
29 the Commissioner for the purpose of enforcement of Part IV of this subtitle by the
30 Commissioner.

31 (2) The Commissioner:

32 (i) may release a list of the names of all insurers designated as
33 major insurers; and

34 (ii) may not release the particular market share of a major insurer
35 in Baltimore City unless authorized by the insurer.

1 (b) (1) On or before July 1, 1997, the Commissioner shall submit a report to
2 the Governor and, subject to § 2-1246 of the State Government Article, the General
3 Assembly about the availability and affordability of private passenger motor vehicle
4 insurance in Baltimore City.

5 (2) The report shall provide information on:

6 (i) the number of insurers actively engaged in providing coverage
7 in Baltimore City;

8 (ii) the market shares of insurers in the market in Baltimore City;

9 (iii) the changes in market shares of insurers in the market in
10 Baltimore City; and

11 (iv) whether insurance is available from insurers other than the
12 Maryland Automobile Insurance Fund.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
14 effect ~~October 1, 1999~~ January 1, 2000. It shall remain effective for a period of four
15 and one half years and, at the end of June 30, 2004, with no further action required by
16 the General Assembly, this Act shall be abrogated and of no further force and effect.