

By: **Delegate Hurson**

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Assigned to: Rules and Executive Nominations

Re-referred to: Economic Matters, February 22, 1999

Committee Report: Favorable

House action: Adopted

Read second time: March 23, 1999

CHAPTER _____

1 AN ACT concerning

2 **Motor Vehicle Liability Insurance - Minimum Benefits of Security -**
3 **Maximum Amounts Payable from MAIF - Property Damage Claims**

4 FOR the purpose of altering the maximum amount payable from the Maryland
5 Automobile Insurance Fund (MAIF) for unsatisfied claims for property damage
6 under certain circumstances; altering the minimum benefits of security for
7 property damage that a motor vehicle liability insurance policy must provide;
8 and generally relating to minimum benefits of security in motor vehicle liability
9 insurance and maximum amounts payable from MAIF for property damage
10 claims.

11 BY repealing and reenacting, with amendments,
12 Article - Insurance
13 Section 20-602(a)
14 Annotated Code of Maryland
15 (1997 Volume and 1998 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article - Transportation
18 Section 17-103
19 Annotated Code of Maryland
20 (1998 Replacement Volume and 1998 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Insurance

2 20-602.

3 (a) The maximum amount payable from the Fund, exclusive of interest and
4 costs, for claims filed under this subtitle arising from one accident is:

5 (1) \$20,000 on account of injury to or death of one individual;

6 (2) subject to the limit specified in item (1) of this subsection, \$40,000 on
7 account of injury to or death of more than one individual; and

8 (3) [\$10,000] \$15,000 for damages to property.

9

Article - Transportation

10 17-103.

11 (a) (1) Except as provided in paragraph (2) of this subsection, the form of
12 security required under this subtitle is a vehicle liability insurance policy written by
13 an insurer authorized to write these policies in this State.

14 (2) The Administration may accept another form of security in place of a
15 vehicle liability insurance policy if it finds that the other form of security adequately
16 provides the benefits required by subsection (b) of this section.

17 (3) The Administration shall, by regulation, assess each self-insurer an
18 annual sum which may not exceed \$750, and which shall be used for actuarial studies
19 and audits to determine financial solvency.

20 (b) The security required under this subtitle shall provide for at least:

21 (1) The payment of claims for bodily injury or death arising from an
22 accident of up to \$20,000 for any one person and up to \$40,000 for any two or more
23 persons, in addition to interest and costs;

24 (2) The payment of claims for property of others damaged or destroyed in
25 an accident of up to [\$10,000] \$15,000, in addition to interest and costs;

26 (3) Unless waived, the benefits described under § 19-505 of the
27 Insurance Article as to basic required primary coverage; and

28 (4) The benefits required under § 19-509 of the Insurance Article as to
29 required additional coverage.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 1999.

