

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 633

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “- Offer of”; in line 3, strike “offer” and substitute “provide”; in line 4, strike the second “liability”; strike beginning with “in” in line 5 down through “form;” in line 7 and substitute “residing in the named insured’s household for certain economic losses up to the limits of motor vehicle liability coverage; authorizing the named insured to waive certain liability coverage in a certain manner; requiring a certain waiver to be made in writing using a certain form;”; in line 8, strike “requiring the offer to meet certain criteria;”; in line 9, strike “a first named insured” and substitute “an individual”; in line 10, strike “first named insured requests or elects certain coverage” and substitute “individual refuses to waive certain coverage”; in line 11, after “Act;” insert “defining a certain term;”; and in line 12, strike “the offering of” and substitute “liability”.

AMENDMENT NO. 2

On page 1, after line 23, insert:

“(A) (1) IN THIS SECTION, “ECONOMIC LOSSES” MEANS REASONABLE AND NECESSARY MEDICAL AND OTHER EXPENSES AND LOSS OF WAGES ACTUALLY INCURRED BY A FAMILY MEMBER AS A RESULT OF PERSONAL INJURIES SUSTAINED BY THE FAMILY MEMBER IN AN ACCIDENT:

(I) INVOLVING THE INSURED MOTOR VEHICLE;

(II) OCCURRING WHILE THE FAMILY MEMBER WAS A PASSENGER IN THE INSURED MOTOR VEHICLE; AND

(III) FOR WHICH THE NAMED INSURED OR OTHER AUTHORIZED DRIVER UNDER THE POLICY IS AT FAULT.

(Over)

(2) “ECONOMIC LOSSES” INCLUDES REASONABLE AND NECESSARY LOSS OF WAGES INCURRED BY A FAMILY MEMBER RESIDING IN THE NAMED INSURED’S HOUSEHOLD AS A RESULT OF PROVIDING PERSONAL CARE TO A FAMILY MEMBER DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION.

(3) “ECONOMIC LOSSES” DOES NOT INCLUDE DAMAGES FOR NONPECUNIARY LOSS, INCLUDING PAIN, SUFFERING, INCONVENIENCE, PHYSICAL IMPAIRMENT, AND LOSS OF CONSORTIUM.”;

and in line 24, strike “(A)” and substitute “(B)”.

AMENDMENT NO. 3

Strike beginning with line 28 on page 1 through line 24 on page 2, inclusive, and substitute:

“(C) UNLESS THE INSURANCE COVERAGE REQUIRED BY THIS SUBSECTION IS WAIVED BY THE NAMED INSURED IN ACCORDANCE WITH THIS SECTION, EACH INSURER THAT ISSUES, SELLS, OR DELIVERS A PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE POLICY OR BINDER IN THE STATE SHALL PROVIDE COVERAGE OF CLAIMS MADE BY A FAMILY MEMBER RESIDING IN THE NAMED INSURED’S HOUSEHOLD FOR ECONOMIC LOSSES UP TO THE LIMITS OF THE MOTOR VEHICLE LIABILITY COVERAGE.

(D) A WAIVER MADE UNDER THIS SECTION IS NOT EFFECTIVE UNLESS, PRIOR TO THE WAIVER, THE INSURER GIVES THE NAMED INSURED WRITTEN NOTICE OF THE NATURE, EXTENT, BENEFIT, AND COST OF THE PORTION OF THE LIABILITY INSURANCE COVERAGE BEING WAIVED.

(E) (1) A WAIVER MADE UNDER THIS SECTION SHALL BE MADE ON THE FORM THAT THE COMMISSIONER REQUIRES.

(2) THE FORM MAY BE PART OF THE INSURANCE CONTRACT.

(3) THE FORM SHALL CLEARLY AND CONCISELY EXPLAIN IN 10 POINT BOLDFACE TYPE:

(I) THE NATURE, EXTENT, BENEFIT, AND COST OF THE COVERAGE THAT WOULD BE PROVIDED UNDER THE POLICY OR BINDER IF NOT WAIVED BY THE NAMED INSURED;

(II) THAT A FAILURE OF THE NAMED INSURED TO MAKE A WAIVER REQUIRES AN INSURER TO PROVIDE THE COVERAGE DESCRIBED IN SUBSECTION (C) OF THIS SECTION;

(III) THAT AN INSURER MAY NOT REFUSE TO UNDERWRITE AN INDIVIDUAL BECAUSE THE INDIVIDUAL REFUSES TO WAIVE THE COVERAGE DESCRIBED IN SUBSECTION (C) OF THIS SECTION; AND

(IV) THAT A WAIVER MADE UNDER THIS SECTION MUST BE AN AFFIRMATIVE WRITTEN WAIVER.

(F) A WAIVER MADE UNDER THIS SECTION BY AN INDIVIDUAL WHO IS INSURED CONTINUOUSLY BY THE MARYLAND AUTOMOBILE INSURANCE FUND IS EFFECTIVE UNTIL THE WAIVER IS WITHDRAWN IN WRITING.

(G) (1) AN INSURER MAY NOT REFUSE TO UNDERWRITE AN INDIVIDUAL BECAUSE THE INDIVIDUAL REFUSES TO WAIVE THE COVERAGE DESCRIBED IN SUBSECTION (C) OF THIS SECTION.

(2) AN INSURER THAT VIOLATES THIS SUBSECTION IS SUBJECT TO THE PENALTIES PROVIDED UNDER §§ 4-113 AND 4-114 OF THIS ARTICLE.”.