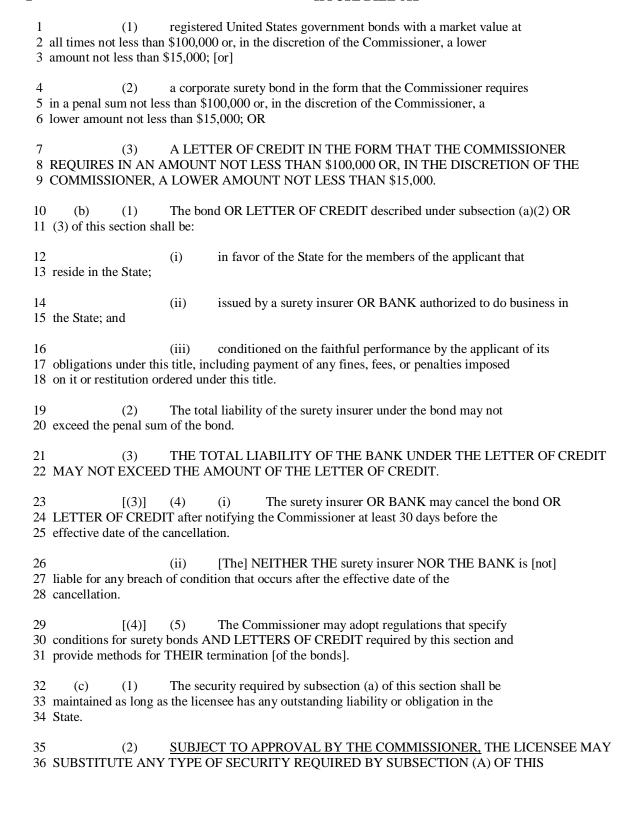
Unofficial Copy C4 2002 Regular Session 2lr2579 CF 2lr2580

By: Delegate Donoghue Introduced and read first time: February 7, 2002 Assigned to: Economic Matters Committee Report: Favorable with amendments House action: Adopted Read second time: March 18, 2002	
1 AN	ACT concerning
2	Motor Clubs - Required Security - Letters of Credit
3 FOF 4 5 6 7 8 9 10	It the purpose of authorizing an applicant for a license to provide motor club service, in addition to other types of security, to deposit a certain letter of credit in a certain amount as the security required for the license; providing for the conditions of, liability under, and cancellation of the letters of credit; authorizing the Insurance Commissioner to adopt certain regulations relating to letters of credit; authorizing a motor club licensed by the Commissioner to substitute one type of required security under certain circumstances for another type of required security; and generally relating to letters of credit and required security for motor clubs.
12 BY 13 14 15 16	repealing and reenacting, with amendments, Article - Insurance Section 26-204 Annotated Code of Maryland (1997 Volume and 2001 Supplement)
17 18 MA	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF RYLAND, That the Laws of Maryland read as follows:
19	Article - Insurance
20 26-	204.
21 22 mai	(a) An applicant for a license shall deposit with the Treasurer, who shall ntain in trust:

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- 1 SECTION FOR ANY OTHER TYPE OF SECURITY REQUIRED BY SUBSECTION (A) OF THIS
- 2 SECTION.
- 3 [(2)] (3) On proof satisfactory to the Commissioner that the licensee has 4 stopped doing business and that all of the licensee's liabilities and obligations have
- 5 been satisfied, the Commissioner shall authorize the Treasurer to return the security
- 6 to the licensee.
- 7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 8 October 1, 2002.