

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

Senate Bill 583

(Senator Stone, *et al.*)

Finance

Maryland Insurance Administration - Report - Events Involving Direct Flood and
Flood-Related Damages

This bill requires the Maryland Insurance Commissioner, following an event for which the Governor has declared a state of emergency and that involves direct flood and flood-related damages, to prepare a report that includes: (1) a description of the effect of the event on the insurance business; (2) information on the number, nature, and resolution of the complaints relating to the event; (3) recommendations about changes in laws or regulations affecting the claim-handling process and other matters relating to insurance; (4) observations about the claim-handling process under the National Flood Insurance Program and other matters relating to the program; (5) recommendations about improvements to the claim-handling process under the National Flood Insurance Program and other matters relating to the program; and (6) any other relevant information. Unless otherwise required, the report may be prepared with the Commissioner's annual report.

The bill requires the Commissioner to prepare a report described above about the effects of Tropical Storm/Hurricane Isabel by July 1, 2004.

The bill takes effect June 1, 2004.

Fiscal Summary

State Effect: The bill's requirements could be handled with the existing budgeted resources of the Maryland Insurance Administration (MIA).

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Commissioner must prepare an annual report on insurers, MIA's regulatory and enforcement activities, and the activities of MIA's fraud division. The Commissioner must also prepare a report every five years recommending any changes to the capital stock, surplus assets, or funding requirements for insurers.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 5, 2004
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