

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 817

(First Reading File Bill)

AMENDMENT NO. 1

In line 2, strike “Motor Vehicle Liability Insurers - Fees” and substitute “Insurance - Fraud Prevention Fee”; strike beginning with “requiring” in line 3 down through “Fund” in line 6 and substitute “altering the disbursement of a certain fraud prevention fee collected by the Maryland Insurance Commissioner; requiring a certain amount of the fraud prevention fee to be deposited in the Vehicle Theft Prevention Fund to be used for a certain purpose; requiring property and casualty insurers to pay an additional amount of the fraud prevention fee; expressing the intent of the General Assembly that the Governor make a certain appropriation; providing for the termination of certain provisions of this Act”; and strike beginning with “a” in line 6 down through “into” in line 7 and substitute “the fraud prevention fee and”.

AMENDMENT NO. 2

In line 9, strike “adding to” and substitute “repealing and reenacting, with amendments,”; in line 11, strike “19-517” and substitute “2-505(a), 6-202, and 6-203(a)”; in line 13, strike “2002” and substitute “2003”; and after line 13, insert:

“BY repealing and reenacting, without amendments,

Article - Public Safety

Section 2-703(a)

Annotated Code of Maryland

(2003 Volume and 2004 Supplement)

BY repealing and reenacting, with amendments,

Article - Public Safety

Section 2-703(c)

Annotated Code of Maryland

(2003 Volume and 2004 Supplement)

(Over)

Preamble

WHEREAS, The Maryland Vehicle Theft Prevention Council (Council) is charged with assisting in the prevention and deterrence of private passenger and commercial motor vehicle theft and related crime, including vandalism and theft of property from vehicles in the State; and

WHEREAS, The Council seeks to improve and support vehicle theft law enforcement, prosecution, prevention, and education and juvenile diversion programs by establishing statewide planning capabilities and coordination of dedicated funding sources; and

WHEREAS, Following the 1997 establishment of the Council and a statewide vehicle theft prevention strategy, the number of vehicle thefts significantly declined;

WHEREAS, Due to budget constraints over the past several years, the Vehicle Theft Prevention Fund has experienced erratic funding levels that have ultimately resulted in an overall underfunding of the theft prevention program; and

WHEREAS, The Council reports that the number of statewide vehicle thefts has steadily climbed from a low of about 26,000 in 1999 to over 35,000 in 2004, translating into an economic loss for 2004 in excess of \$216,000,000; now, therefore.”

AMENDMENT NO. 3

After line 16, insert:

“2-505.

(a) There is an Insurance Regulation Fund that consists of:

(1) all revenue received through the imposition and collection of the assessment fee under this subtitle;

(2) all revenue received through the imposition and collection of the fees set forth in § 2-112 of this title;

(3) EXCEPT AS PROVIDED IN § 6-202(B)(2) OF THIS ARTICLE, all revenue received through the imposition and collection of the fraud prevention fee under Title 6, Subtitle 2 of

this article;

(4) all revenue received through the collection of examination expenses under § 2-208 of this title;

(5) except as provided in § 2-114(a) of this title, all other fees received through the imposition and collection of fees set forth in this article; and

(6) income from investments that the State Treasurer makes for the Fund.

6-202.

(a) The Commissioner shall collect the fraud prevention fee.

(b) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE total amount of the fraud prevention fee collected by the Commissioner shall be deposited in the Insurance Regulation Fund as provided in § 2-505 of this article.

(2) THE REVENUE RECEIVED THROUGH THE COLLECTION OF THE FRAUD PREVENTION FEE BY THE COMMISSIONER UNDER § 6-203(A)(1)(II) OF THIS SUBTITLE SHALL BE DEPOSITED IN THE VEHICLE THEFT PREVENTION FUND UNDER § 2-703 OF THE PUBLIC SAFETY ARTICLE TO BE USED FOR THE SOLE PURPOSE OF ASSISTING LOCAL JURISDICTIONS IN PREVENTING VEHICLE THEFT.

6-203.

(a) For each insurer, health maintenance organization, nonprofit health service plan, fraternal benefit society, or any entity operating in the State under the regulatory jurisdiction of the Commissioner other than a premium finance company, a fraternal benefit society that collected less than \$75,000 in premiums in the preceding calendar year, or a motor club, the fraud prevention fee shall be:

(1) (I) \$1,000; AND

(Over)

(II) FOR EACH PROPERTY AND CASUALTY INSURER, \$750 IN ADDITION TO THE AMOUNT SPECIFIED IN ITEM (I) OF THIS ITEM;

(2) due on or before June 30 of each year; and

(3) if applicable, payable with the certificate of authority or license renewal fee.”;

and strike in their entirety lines 17 through 23, inclusive, and substitute:

“Article - Public Safety

2-703.

(a) There is a Vehicle Theft Prevention Fund.

(c) The Fund consists of:

(1) money received by the Fund under § 17-106 of the Transportation Article;

(2) MONEY RECEIVED BY THE FUND UNDER § 6-202(B)(2) OF THE INSURANCE ARTICLE;

[(2)] (3) money received by the Council or the Fund from any source; and

[(3)] (4) investment earnings of the Fund.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, in the fiscal year beginning July 1, 2006, and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of \$2,000,000 to the Vehicle Theft Prevention Fund, as provided under § 17-106(e) of the Transportation Article.”;

in line 24, strike “2.” and substitute “3.”; in line 25, strike “October” and substitute “June”; and in the same line, after “2005.” insert “Section 1 of this Act shall remain effective for a period of 1 year”

SB0817/027479/1

FIN

Amendments to SB 817

Page 5 of 5

and, at the end of May 31, 2006, with no further action required by the General Assembly, Section 1 of this Act shall be abrogated and of no further force and effect.”.