

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 729

(First Reading File Bill)

AMENDMENT NO. 1

On page 8, in line 20, after the semicolon insert "AND".

On pages 8 and 9, strike beginning with "IF" in line 21 on page 8 through "(IV)" in line 5 on page 9.

On page 9, in line 6, strike ", (II), AND (III)" and substitute "AND (II)".

On page 15, in line 10, after the semicolon insert "AND"; strike beginning with "IF" in line 11 down through "(IV)" in line 30; and in line 31, strike ", (II), AND (III)" and substitute "AND (II)".

AMENDMENT NO. 2

On page 13, in line 11, strike "OR"; and in line 27, after "REQUIREMENT" insert "; OR

(IV) THE MARYLAND AUTOMOBILE INSURANCE FUND".

AMENDMENT NO. 3

On page 9, after line 25, insert:

"(6) THE NOTICE SHALL STATE THE CONDITIONS UNDER WHICH THE COMMISSIONER MUST ORDER PAYMENT OF ATTORNEY FEES IN ACCORDANCE WITH SUBSECTION (F)(13) OF THIS SECTION."

On page 11, strike beginning with the first "THE" in line 19 down through "APPROPRIATE" in line 22 and substitute:

(Over)

“THE COMMISSIONER SHALL ORDER THE INSURER TO PAY REASONABLE ATTORNEY FEES INCURRED BY THE NAMED INSURED FOR REPRESENTATION AT THE HEARING, AS THE COMMISSIONER CONSIDERS APPROPRIATE, IF THE COMMISSIONER:

(I) UPHOLDS THE PROTEST AND DISALLOWS THE ACTION UNDER PARAGRAPH (9) OF THIS SUBSECTION; AND

(II) FINDS THAT:

1. THE INSURER’S CONDUCT IN MAINTAINING OR DEFENDING THE PROCEEDING WAS IN BAD FAITH; OR

2. THE INSURER ACTED WILLFULLY IN THE ABSENCE OF A BONA FIDE DISPUTE”.

On page 16, after line 2, insert:

“(8) THE NOTICE SHALL STATE THE CONDITIONS UNDER WHICH THE COMMISSIONER MUST ORDER ATTORNEY FEES IN ACCORDANCE WITH SUBSECTION (H)(2) OF THIS SECTION.”.

On page 18, strike beginning with the first “THE” in line 20 down through “APPROPRIATE” in line 23 and substitute:

“THE COMMISSIONER SHALL ORDER THE INSURER TO PAY REASONABLE ATTORNEY FEES INCURRED BY THE NAMED INSURED FOR REPRESENTATION AT THE HEARING, AS THE COMMISSIONER CONSIDERS APPROPRIATE, IF THE COMMISSIONER:

1. UPHOLDS THE PROTEST AND DISALLOWS THE ACTION UNDER SUBSECTION (G)(2)(III)1 OF THIS SECTION; AND

2. FINDS THAT:

A. THE INSURER'S CONDUCT IN MAINTAINING OR DEFENDING THE PROCEEDING WAS IN BAD FAITH; OR

B. THE INSURER ACTED WILLFULLY IN THE ABSENCE OF A BONA FIDE DISPUTE".