
By: **Delegate Kelly**

Introduced and read first time: February 9, 2005

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Surety Insurance - Inducements to Insurance - Criminal Penalties - Bail**
3 **Bondsmen**

4 FOR the purpose of providing certain criminal penalties for certain bail bondsmen
5 who violate certain provisions of law that prohibit certain insurers, employees or
6 representatives of the insurers, and insurance producers from paying, allowing,
7 or giving, or offering to pay, allow, or give, directly or indirectly, certain
8 inducements to insurance; and generally relating to surety insurance and bail
9 bondsmen.

10 BY repealing and reenacting, without amendments,
11 Article - Insurance
12 Section 10-301(c)
13 Annotated Code of Maryland
14 (2003 Replacement Volume and 2004 Supplement)

15 BY repealing and reenacting, without amendments,
16 Article - Insurance
17 Section 27-212(a) and (b)
18 Annotated Code of Maryland
19 (2002 Replacement Volume and 2004 Supplement)

20 BY adding to
21 Article - Insurance
22 Section 27-212(g)
23 Annotated Code of Maryland
24 (2002 Replacement Volume and 2004 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Insurance

2 10-301.

3 (c) "Bail bondsman" means an authorized insurance producer of a surety
4 insurer.

5 27-212.

6 (a) This section does not apply to life insurance, health insurance, and
7 annuities.

8 (b) Except to the extent provided for in an applicable filing with the
9 Commissioner as provided by law, an insurer, employee or representative of an
10 insurer or insurance producer may not pay, allow, give, or offer to pay, allow, or give
11 directly or indirectly as an inducement to insurance or after insurance has become
12 effective:

13 (1) a rebate, discount, abatement, credit, or reduction of the premium
14 stated in the policy;

15 (2) a special favor or advantage in the dividends or other benefits to
16 accrue on the policy; or

17 (3) any valuable consideration or other inducement not specified in the
18 policy.

19 (G) IN ADDITION TO ANY ADMINISTRATIVE PENALTY OTHERWISE
20 APPLICABLE, A BAIL BONDSMAN, AS DEFINED IN § 10-301 OF THIS ARTICLE, WHO
21 VIOLATES SUBSECTION (B) OF THIS SECTION IS GUILTY OF A FELONY AND ON
22 CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 5 YEARS OR A FINE
23 NOT EXCEEDING \$10,000 OR BOTH.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 October 1, 2005.