

SENATE BILL 105

C4
SB 789/07 – FIN

8lr1586

By: **Senator Astle**
Introduced and read first time: January 16, 2008
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Automobile Insurance Fund – Authority of Commissioner to**
3 **Impose Penalties and Restitution**

4 FOR the purpose of authorizing the Maryland Insurance Commissioner to impose a
5 certain penalty on the Maryland Automobile Insurance Fund for a violation of
6 the Insurance Article; authorizing the Commissioner to require the Fund to
7 make restitution to a certain person under certain circumstances; and generally
8 relating to the Maryland Automobile Insurance Fund.

9 BY repealing and reenacting, with amendments,
10 Article – Insurance
11 Section 4–113(d)
12 Annotated Code of Maryland
13 (2003 Replacement Volume and 2007 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Insurance
16 Section 20–201
17 Annotated Code of Maryland
18 (2006 Replacement Volume and 2007 Supplement)

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

21 **Article – Insurance**

22 4–113.

23 (d) **(1)** Instead of or in addition to suspending or revoking a certificate of
24 authority **OF AN INSURER**, the Commissioner may:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 [(1)] (I) impose on the holder a penalty of not less than \$100 but not
2 more than \$125,000 for each violation of this article; and

3 [(2)] (II) require the holder to make restitution to any person who has
4 suffered financial injury because of the violation of this article.

5 **(2) THE PROVISIONS OF THIS SUBSECTION APPLY TO THE**
6 **MARYLAND AUTOMOBILE INSURANCE FUND.**

7 20–201.

8 (a) There is a Maryland Automobile Insurance Fund.

9 (b) The Fund is a member of the Property and Casualty Insurance Guaranty
10 Corporation.

11 (c) In addition to the provisions of this title, the Fund is subject to:

12 **(1) Title 2, Subtitle 5 of this article; AND**

13 **(2) § 4–113(D) OF THIS ARTICLE.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2008.