## **SENATE BILL 394**

C4 1lr2103

SB 603/08 - FIN

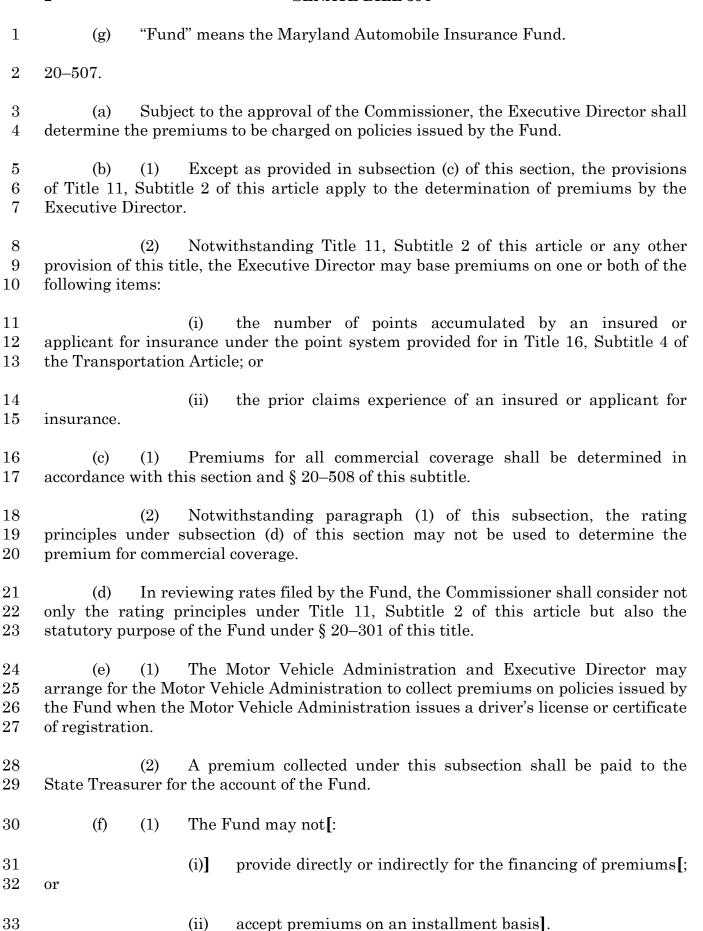
By: Senators Pugh, Conway, Currie, Forehand, Gladden, Jones-Rodwell, Madaleno, McFadden, Middleton, Montgomery, Muse, Peters, Pinsky, Ramirez, Raskin, Robey, and Stone

Introduced and read first time: February 4, 2011

Assigned to: Finance

## A BILL ENTITLED

1	AN ACT concerning
2 3	Maryland Automobile Insurance Fund – Acceptance of Premiums on Installment Basis
4	FOR the purpose of authorizing the Maryland Automobile Insurance Fund to accept
5	premiums on an installment basis; providing for the application of this Act; and
6 7	generally relating to accepting premiums on an installment basis on policies issued by the Maryland Automobile Insurance Fund.
8	BY repealing and reenacting, without amendments,
9	Article – Insurance
10	Section 20–101(a) and (g)
11	Annotated Code of Maryland
12	(2006 Replacement Volume and 2010 Supplement)
13	BY repealing and reenacting, with amendments,
14	Article – Insurance
15	Section 20–507
16	Annotated Code of Maryland
17	(2006 Replacement Volume and 2010 Supplement)
18	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19	MARYLAND, That the Laws of Maryland read as follows:
20	Article – Insurance
21	20–101.
22	(a) In this title the following words have the meanings indicated.



$\frac{1}{2}$	(2) A premium may be financed only by a premium finance company registered with the Commissioner in accordance with § 23–201 of this article.
3 4 5	(3) If a prospective insured's initial payment to the Fund, a fund producer, or premium finance company is not honored, a policy or endorsement issued in reliance on that payment is void.
6	(G) THE FUND MAY ACCEPT PREMIUMS ON AN INSTALLMENT BASIS.
7 8 9	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies and contracts issued by the Maryland Automobile Insurance Fund on or after the effective date of this Act.
10	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect

11

October 1, 2011.