

# HOUSE BILL 117

C4

0lr1733  
CF SB 165

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By: **Delegate Dumais**

Introduced and read first time: January 13, 2020

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: January 28, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Insurance – Industry Automobile Insurance Association – Board of Directors**

3 FOR the purpose of altering the nominating entity for certain Industry Automobile  
4 Insurance Association board members; making conforming changes; and generally  
5 relating to the Industry Automobile Insurance Association.

6 BY repealing and reenacting, with amendments,  
7 Article – Insurance  
8 Section 20–403  
9 Annotated Code of Maryland  
10 (2017 Replacement Volume and 2019 Supplement)

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

13 **Article – Insurance**

14 20–403.

15 (a) There is a Board of Directors to administer the Association.

16 (b) (1) The Board of Directors consists of nine members elected by Association  
17 members.

18 (2) Of the nine members of the Board of Directors:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (i) [two shall be nominated by the American Insurance Association;

2 (ii) two] **FOUR** shall be nominated by the **AMERICAN** Property  
3 Casualty ~~Insurers~~ **INSURANCE** Association [of America];

4 [(iii)] **(II)** one shall be associated with a domestic insurer that is not  
5 affiliated with [a group listed in item (i) or (ii) of this paragraph] **THE AMERICAN**  
6 **PROPERTY CASUALTY** ~~INSURERS~~ **INSURANCE ASSOCIATION**;

7 [(iv)] **(III)** two may not be affiliated with a member company of [a  
8 group listed in item (i) or (ii) of this paragraph] **THE AMERICAN PROPERTY CASUALTY**  
9 ~~INSURERS~~ **INSURANCE ASSOCIATION** or with a domestic insurer that is otherwise  
10 represented on the Board of Directors; and

11 [(v)] **(IV)** two shall be nominated by the members of the Board of  
12 Directors selected under items (i) through [(iv)] **(III)** of this paragraph.

13 (3) The term of a member of the Board of Directors is 1 year.

14 (4) If [a group listed in paragraph (2)(i) or (ii) of this subsection] **THE**  
15 **AMERICAN PROPERTY CASUALTY** ~~INSURERS~~ **INSURANCE ASSOCIATION** fails to  
16 submit the name of a nominee at least 10 days before the election, the requirement that  
17 [two] **FOUR** directors be from among nominees of that group need not be met for that year.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2020.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.