

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE
Revised

Senate Bill 797 (Senator Astle)
Finance

Economic Matters

**Property and Casualty Insurers - Geographic Distribution of Private Passenger
and Residential Property Premium - Major Insurer-Definition**

This bill alters the percentage of the total private passenger auto insurance premium in the State an insurer, or an affiliate or subsidiary of that insurer that has written, from at least 0.5% to at least 1.0%, to meet the definition of “major insurer” for the purpose of filing specified information with the Maryland Insurance Administration (MIA).

The bill is effective July 1, 2001.

Fiscal Summary

State Effect: The bill’s changes could be handled with MIA’s existing budgeted resources.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Insurers and the Maryland Automobile Insurance Fund (MAIF) must file, on or before July 1 of each year, information about the geographic distribution of private passenger motor vehicle insurance premiums and residential property premiums with MIA, including the number of policies written by those premiums in the State as a whole and in Baltimore City.

On or before October 1 of each year, insurers that have been designated by MIA as major insurers must file a marketing plan with MIA to ensure that insurers make insurance available to Baltimore City residents in the same manner that they do to residents of other parts of the State.

The Insurance Commissioner may request by bulletin information relating to policies written by a property and casualty insurer, including insurers that write motor vehicle insurance. A bulletin must specify the line of insurance and the period of time for which the information is requested. A request by bulletin expires two years after the date of the request.

Background: MAIF advises that its costs to collect the geographic information about motor vehicle insurance premiums are approximately \$400 annually.

Additional Information

Prior Introductions: None.

Cross File: HB 1184 (Delegate Donoghue) – Economic Matters.

Information Source(s): Maryland Automobile Insurance Fund, Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History: First Reader – March 8, 2001
mld/jr Revised – Senate Third Reader – March 30, 2001
Revised – Enrolled Bill – May 1, 2001

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