

Replacement Volume), title "Insurance Code," subtitle "16. Rates and Rating Organizations," to amend the existing text of said subsection to provide as to assigned risks that a plan among casualty insurers doing business in Maryland for apportionment of certain motor vehicle insurance risks be in force at all times, that such assigned risk plans provide insurance for every licensed motor vehicle operator who is otherwise unable to obtain insurance, to provide for the rating and classification of assigned risk business, to grant to licensed insurance brokers the power to bind assigned risks, to define the reasons for which assigned risks may be cancelled, to provide that assigned risk insurers may refuse or cancel insurance for nonpayment of premium only under certain circumstances, to provide that assigned risk insurers return unearned premiums to persons other than the insured in financing situations, to set the minimum rate of commission to be allowed an insurance broker and to authorize the payment of a service OR charge by the insured to the procuring agent or broker or ON assigned risk insurance, and relating generally to assigned risk plans and motor vehicle insurers.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Subsection 243 (n) of Article 48A of the Annotated Code of Maryland (1964 Replacement Volume), title "Insurance Code," subtitle "16. Rates and Rating Organizations," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

243.

(n) (1) Agreements may be made among insurers with respect to the equitable apportionment among them of insurance which may be afforded *motorists* [applicants who are in good faith entitled to but] who are unable to procure such insurance through ordinary methods and such insurers may agree among themselves on the use of reasonable rate modifications for such insurance, such agreements and rate modifications to be subject to the approval of the Commissioner.

(2) Every insurer undertaking to transact in this State the business of automobile and motor vehicle bodily injury and property damage liability insurance and every rating organization which files rates for such insurance shall cooperate in the preparation and submission of a plan or plans for the equitable apportionment among insurers of *motorists* [applicants for insurance who are in good faith entitled to, but] who are unable to procure *such insurance* through ordinary methods [, such insurance]. Such a plan or plans shall provide: (i) Reasonable rules governing the equitable distribution of risks by direct insurance, reinsurance or otherwise and their assignment to insurers; (ii) rates and rate modifications applicable to such risks which shall not be excessive, inadequate or unfairly discriminatory; (iii) the limits of liability which the insurer shall be required to assume; (iv) a method whereby applicants for insurance, insureds and insurers may have a hearing on grievances and the right of appeal to the Commissioner. Every such plan shall be filed in writing with the Commissioner. The Commissioner shall review the plan as soon as reasonably possible after filing in order to determine whether it meets the requirements set forth in *this subsection* [(i), (ii), (iii), and (iv) above]. Each plan unless sooner