

Annotated Code of Maryland
(2002 Replacement Volume and 2002 Supplement)

BY repealing and reenacting, with amendments,
Article – Insurance
Section 23-304
Annotated Code of Maryland
(2002 Replacement Volume and 2002 Supplement)

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

Article – Insurance

23-301.1.

IN ADDITION TO FINANCING THE PREMIUM OF A SURPLUS LINES INSURANCE CONTRACT, A PREMIUM FINANCE AGREEMENT MAY INCLUDE ANY:

(1) PREMIUM RECEIPTS TAX THAT A SURPLUS LINES BROKER IS REQUIRED TO CHARGE UNDER § 3-324 OF THIS ARTICLE AND PAY TO THE COMMISSIONER UNDER § 3-325 OF THIS ARTICLE;

(2) POLICY FEE THAT A SURPLUS LINES BROKER IS ALLOWED TO CHARGE UNDER § 27-216 OF THIS ARTICLE; AND

(3) INSPECTION FEE THAT A SURPLUS LINES BROKER IS ALLOWED TO CHARGE UNDER § 27-216 OF THIS ARTICLE.

23-304.

The finance charge shall be computed:

(1) on the amount of the entire premium loan advanced, INCLUDING ANY TAXES OR FEES THAT ARE FINANCED UNDER § 23-301.1 OF THIS TITLE, after subtracting any down payment on the premium loan made by the insured;

(2) from the inception date of the insurance contract or from the due date of the premium, disregarding any grace period or credit allowed for payment of the premium, through the date when the final installment under the premium finance agreement is payable; and

(3) at a rate not exceeding 1.15% for each 30 days, charged in advance.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2003.

Approved April 22, 2003.
