

Senate Bill No. 100—Motor Vehicle Liability Insurance

AN ACT to repeal and re-enact, with amendments, Sections 122 and 134 (b), (c) and (e) of Article 66½ of the Annotated Code of Maryland (1957 Edition and 1962 Supplement), title "Motor Vehicles," subtitle "Motor Vehicle Financial Responsibility," to increase the minimum and total amounts for bodily injury and property damage required as proof of financial responsibility under the motor vehicle laws of the State.

May 1, 1963.

Honorable William S. James
President of the Senate
State House
Annapolis, Maryland

Dear Mr. President:

In accordance with Article 2, Section 17, of the Maryland Constitution, I am returning to you Senate Bill 100 which has been vetoed by me.

This Bill amends Sections 122 and 134 of Article 66½ and requires proof of financial responsibility of not less than \$15,000 for bodily injury or death sustained by one person in any one automobile accident and not less than \$30,000 for more than one person in any one accident.

While there certainly is merit in the arguments for revising existing limits, I am fearful that, unless corresponding revisions are incorporated in other sections of Article 66½ concurrently, enactment of this Bill into law would create certain confusion.

The Office of the State Insurance Commissioner advises me that the Bill does not amend Section 119 of Article 66½ which, under subsection 3(a) provides that when \$10,000 has been credited on any judgment for bodily injury or death to one person, or \$20,000 has been credited for more than one person, such amounts shall be deemed a satisfaction of any judgment or judgments.

It would appear, therefore, that the proposed amendment would require the insured to carry the new policy limits but by settling claims up to the limits prescribed under Section 119, 3(a), the insurance company could relieve the policy holder of being subject to the provisions of the Financial Responsibility Act without paying claimants the full amounts of the judgments obtained.

Section 93 of Article 66½, commonly known as the J.R. 11 Section, provides that the application of any person under 21 for an instruction permit or an operator's or chauffeur's license should be accompanied by such proof of responsibility as required under the provisions of Section 119 of Article 66½.

Since, under the Bill, Section 119 remains unchanged, J.R. 11 certificates would be required only in limits of \$10,000 for each person and \$20,000 for each accident. The Bill would require limits of \$15,000 for each person and \$30,000 for each accident for others over the age of 21 who are required to file the financial responsibility certificate generally known as S.R. 22.