

House Bill No. 213—Motor Vehicle Insurance

AN ACT to repeal and re-enact, with amendments, Section 243 (n) (2) of Article 48A of the Annotated Code of Maryland (1964 Replacement Volume and 1966 Supplement), title "Insurance Code," subtitle "16. Rates and Rating Organizations," to ~~require insurance companies writing only automobile physical damage insurance to provide insurance in the State under the Maryland Automobile Insurance Plan for equitable apportionment of insurance risks and to change the description of other companies subject to the Plan; and correcting an error therein~~ BROADEN THE MARYLAND AUTOMOBILE INSURANCE PLAN TO MAKE ADDITIONAL KINDS OF AUTOMOBILE INSURANCE AVAILABLE TO PERSONS USING THE PLAN.

May 4, 1967.

Honorable Marvin Mandel
Speaker of the House of Delegates
State House
Annapolis, Maryland

Dear Mr. Speaker:

In accordance with Section 17 of Article II of the Maryland Constitution, I have vetoed today House Bill 213 and am returning it to you.

This bill would extend the provisions of the Maryland Automobile Insurance Plan to include physical damage (collision and comprehensive) and medical payments insurance coverages.

The Plan, which now provides for the extension of liability insurance coverages to persons who, for reasons that substantially increase the degree of exposure to claims, cannot arrange for such coverages through normal insurance channels, is an essential companion to the legal requirement that owners and drivers be financially responsible to third parties for injuries or damages caused by such owners or drivers.

Thus, the substance of the bill is unrelated to the basic reason for the existence of the Plan. Nevertheless, I would not veto the bill solely for this reason, nor am I necessarily opposed to the concept of the bill.

My concern is that the bill involves a radical departure from a solidly established policy—a departure that no other state has made—which should not be undertaken without thorough consideration of its ultimate effect and ramifications by an agency such as the Legislative Council. This is particularly important when there is no experience of other states on which to base a judgment.

Such consideration should involve consultation with agencies and groups involved in the Automobile Insurance Plan, particularly those responsible for administering the Plan. I would hope, additionally, that in any bill developed sufficient lead time would be provided to allow the complete formulation of procedures for its administration. There is some question about whether the administrators