

under contract, and after this two-year period the provisions of Section 10 of said Chapter shall be fully effective and applied to this item.

SEC. 2. *And be it further enacted*, That this Act shall take effect July 1, 1968.

Approved April 10, 1968.

CHAPTER 410
(House Bill 1351)

AN ACT to repeal and re-enact, with amendments, Section 81 of Article 48A of the Annotated Code of Maryland (1964 Replacement Volume), title "Insurance Code," subtitle "5. Assets and Liabilities," amending the laws concerning certain reserves for title insurance contracts in order to specify the amount of a certain reduction fund.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 81 of Article 48A of the Annotated Code of Maryland (1964 Replacement Volume), title "Insurance Code," subtitle "5. Assets and Liabilities," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

81.

In addition to an adequate reserve as to outstanding losses as required under Section 77, a title insurer shall maintain a guaranty fund or unearned premium reserve of not less than an amount computed as follows:

(1) Ten percent (10%) of the total amount of the risk premiums written in the calendar year for title insurance contracts shall be as assigned originally to the reserve.

(2) During each of the twenty (20) years next following the year in which the title insurance contract was issued, the reserve applicable to the contract **[may]** *shall* be reduced by five percent (5%) of the original amount of such reserve.

SEC. 2. *And be it further enacted*, That this Act shall take effect July 1, 1968.

Approved April 10, 1968.

CHAPTER 411
(House Bill 1352)

AN ACT to repeal and re-enact, with amendments, Section 649(a) (1) of Article 43 of the Annotated Code of Maryland (1967 Supplement), title "Health," subtitle "Sanitary Districts," and to add