

CHAPTER 424
(House Bill 343)

AN ACT to repeal and re-enact, with amendments, Section ~~161(e)~~ 171 of Article 66½ of the Annotated Code of Maryland (1967 Replacement Volume), title "Motor Vehicles," subtitle "Unsatisfied Claim and Judgment Fund" to ~~give in certain cases of hit and run accidents an insurer certain authority to settle claims without court approval~~ PROVIDE GENERALLY FOR THE PROCEDURE IN THE SETTLEMENT OF CLAIMS ARISING OUT OF HIT AND RUN ACCIDENTS.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section ~~161(e)~~ 171 of Article 66½ of the Annotated Code of Maryland (1967 Replacement Volume), title "Motor Vehicles," subtitle "Unsatisfied Claim and Judgment Fund" be and it is hereby repealed and re-enacted, with amendments, to read as follows:

~~161~~ 171.

~~(e)~~ An insurer to whom a claim has been assigned, including claims for "hit and run" cases as provided for under Section ~~167~~ of this Article, may settle without court approval any claim involving the payment of five thousand dollars (\$5,000.00) or less with the approval of the chief administrative employee of the Board and any member of the Board is satisfied—

(1) That the claimant has complied with all the requirements of Section 154 and is not a person of the character described in subsections (a), (b) and (c) of Section 159 and that the owner or operator of the motor vehicle was not at the time of the accident insured under a policy of automobile liability insurance under the terms of which the insurer is liable to pay in whole or in part the amount of the judgment;

(2) That the settlement is not made on the behalf of an insurer under circumstances set forth in subsection (1) of Section 159; and

(3) That a judgment against the owner or operator of the motor vehicle involved in the accident would be uncollectible; and

(4) If such owner or operator has consented to such settlement, executed and delivered to the Board a verified statement of his financial condition and has undertaken in writing to repay to the Treasurer the sum to be paid under the settlement, and has executed a confession of judgment in connection therewith.

(A) IN AN ACTION BROUGHT AGAINST THE COMMISSIONER PURSUANT TO AN ORDER BY THE COURT ENTERED IN ACCORDANCE WITH THE PROVISIONS OF SEC. 167 WHERE A SETTLEMENT IN EXCESS OF \$5,000 HAS BEEN AGREED UPON BETWEEN PLAINTIFF AND THE BOARD, THE PLAINTIFF MAY FILE A VERIFIED PETITION ALLEGING THAT HE HAS ENTERED INTO AN AGREEMENT WITH THE BOARD TO SETTLE ALL CLAIMS SET FORTH IN THE COMPLAINT IN SAID ACTION AND STATING THE AMOUNT PROPOSED TO BE PAID TO HIM PURSUANT THERETO. IF THE COURT BE SATISFIED OF THE FAIRNESS OF SUCH