

## CHAPTER 124

(House Bill 54)

AN ACT to repeal and re-enact, with amendments, Section 544 of Article 48A of the Annotated Code of Maryland (1972 Replacement Volume and 1972 Supplement), title "Insurance Code," subtitle "35. Motor Vehicle Casualty Insurance - Required Primary Coverage," to provide for a penalty charge of simple interest on overdue payments of certain benefits.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 544 of Article 48A of the Annotated Code of Maryland (1972 Replacement Volume and 1972 Supplement), title "Insurance Code," subtitle "35. Motor Vehicle Casualty Insurance - Required Primary Coverage," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

544.

(A) All payments of benefits prescribed under Section 539 shall be made periodically as the claims therefor arise and within 30 days after satisfactory proof thereof is received by the insurer subject to the following limitations:

[(a)] (1) The coverages described in Section 539 may prescribe a period of not less than six months after the date of accident within which the original proof of loss with respect to a claim for benefits must be presented to the insurer.

[(b)] (2) The coverages described in Section 539 may provide that in any instance where a lapse occurs in the period of total disability or in the medical treatment of an injured person who has received benefits under such coverage or coverages and such person subsequently claims additional benefits based upon an alleged recurrence of the injury for which the original claim for benefits was made, the insurer may require reasonable medical proof of such alleged recurrence; provided, that in no event shall the aggregate benefits payable to any person exceed the maximum limits prescribed in the policy.

(B) PAYMENTS OF BENEFITS WHICH ARE NOT MADE IN ACCORDANCE WITH THIS SECTION AND ARE OVERDUE SHALL BEAR SIMPLE INTEREST AT THE RATE OF ONE AND ONE-HALF PERCENT (1 1/2%) PER MONTH.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1973.

Approved April 26, 1973.

## CHAPTER 125

(House Bill 74)

AN ACT to add new Section 120D to Article 89B of the Annotated Code of Maryland (1969 Replacement Volume), title "State Roads," subtitle "Bonds, Notes or Other Evidence of Indebtedness," subheading "Bridge, Tunnel and Motorway Revenue Bonds," to follow immediately after Section 120C thereof, providing that the State Roads Commission shall erect signs warning approaching motorists of any delay in the flow of traffic through the Baltimore