

cancelled except for nonpayment of premiums may, within ten days after receipt of notice of the rejection or cancellation, appeal the decision of the executive director to a special board composed of TWO MEMBERS OF the board of trustees and the Commissioner of Insurance OR HIS DESIGNEE. THE EXECUTIVE DIRECTOR MAY NOT SIT ON THE SPECIAL BOARD. The special board may affirm, reverse, or modify the decision of the executive director, upon the record, or may hold a hearing upon not less than ten days' written notice to the applicant and thereafter affirm, reverse, or modify the decision of the executive director. IF THERE IS A CURRENT POLICY, AND [If] IF the policyholder appeals the decision of the executive director to the special board, his policy shall remain in effect until the special board decides his appeal.

SECTION 2. AND BE IT FURTHER ENACTED, That Sections 243C(d) [[and]], 243D(e) , and 243M be and they are hereby added to Article 48A - Insurance Code, of the Annotated Code of Maryland (1972 Replacement Volume and 1975 Supplement) to read as follows:

243C.

(D) ANY POLICY HOLDER WHO HAS COMPLETED THREE CONTINUOUS YEARS IN THE FUND IN WHICH HE HAS NOT HAD ANY MOVING TRAFFIC VIOLATIONS, NOT MORE THAN ONE POINT, AND HAS NOT HAD ANY CHARGEABLE TRAFFIC ACCIDENT, IS ENTITLED TO RENEWAL COVERAGE FROM THE FUND AT RATES REASONABLY COMPARABLE TO THOSE CHARGED BY STANDARD INSURERS AND APPROVED BY THE COMMISSIONER BUT SHALL NOT BE ENTITLED TO ANY SAFE DRIVER CREDIT AS DEFINED IN THE RULES AND RATE SCHEDULES OF THE MARYLAND AUTOMOBILE INSURANCE FUND FILED WITH THE COMMISSIONER OF INSURANCE.

243D.

(E) EXECUTIVE DIRECTOR REFERRALS TO MOTOR VEHICLE ADMINISTRATOR

(1) IF THE EXECUTIVE DIRECTOR FINDS THAT, AFTER BEING INSURED BY THE FUND FOR ANY TEN MONTHS DURING AN 18 MONTH PERIOD, AN INSURED HAD (I) TEN OR MORE POINTS UNDER THE POINT SYSTEM ESTABLISHED UNDER PART IV OF ARTICLE 66 1/2 AND ONE OR MORE CHARGEABLE ACCIDENTS, AS DEFINED IN THE RULES AND RATES SCHEDULES OF THE MARYLAND AUTOMOBILE INSURANCE FUND FILED WITH THE COMMISSIONER OF INSURANCE, WHICH PRODUCE A CLAIM PAYMENT OF \$300 OR MORE, BASED UPON THIRD PARTY LIABILITY, OR (II) THREE OR MORE CHARGEABLE ACCIDENTS, AS DEFINED IN THE RULES AND RATES SCHEDULES OF THE MARYLAND AUTOMOBILE INSURANCE FUND FILED WITH THE COMMISSIONER OF INSURANCE, WITHOUT REGARD TO THE NUMBER OF POINTS, HE SHALL REFER THE MATTER TO THE MOTOR VEHICLE ADMINISTRATOR FOR A DETERMINATION. IF, AFTER A HEARING, THE ADMINISTRATOR SUSPENDS OR REVOKES THE INSURED'S DRIVING LICENSE, THE EXECUTIVE DIRECTOR SHALL CANCEL OR NONRENEW THE POLICY OF INSURANCE AFTER THE NOTICE REQUIRED BY §240A(C). IF THE POLICY OF INSURANCE