

Annotated Code of Maryland  
(1972 Replacement Volume and 1977 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 48A - Insurance Code

243B.

(a) Subject to the provisions of this subtitle generally and § 243D hereof in particular, the Fund is authorized and shall sell, issue, and deliver, upon payment of the premium set by the Fund, a policy of automobile liability insurance to any Maryland resident who owns an automobile validly registered with the Motor Vehicle Administrator, or has a valid license to operate an automobile issued by the Motor Vehicle Administrator, and who DOES NOT OWE TO THE FUND ANY UNPAID INSURANCE PREMIUM WITH RESPECT TO A PRIOR EXPIRED OR CANCELLED POLICY, AND WHO either (i) has in good faith attempted to obtain a policy of automobile liability insurance from at least two private insurers authorized to write such a policy in this State and has been rejected or refused such a policy by two such private insurers for any reason other than nonpayment of premiums, or (ii) who has had a policy of automobile liability insurance cancelled or nonrenewed for any reason other than nonpayment of premiums, by a private insurer authorized to write such a policy in this State. The purpose of the Fund is to provide automobile insurance to those eligible persons who are unable to obtain it in the private market.

243D.

(a) (1) The executive director may reject an application of insurance or cancel a policy of insurance if he finds that the driving license of the applicant or policyholder is or becomes suspended or revoked. The executive director shall promptly notify the applicant or policyholder of his action. If the policy of insurance covers a spouse or other household member of the family of the policyholder, the cancellation of the policy shall not cancel the coverage of such spouse or family member who has not had his or her driving license suspended or revoked, and the insurer shall reclassify the rate of risk of such spouse or family member for premium purposes.

(2) THE EXECUTIVE DIRECTOR MAY REJECT AN APPLICATION IF THE APPLICANT OWES TO THE FUND ANY UNPAID INSURANCE PREMIUM WITH RESPECT TO A PRIOR EXPIRED OR CANCELLED POLICY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1978.