

(b) This subtitle shall apply to all kinds of direct insurance, except life insurance, health insurance, [workmen's compensation insurance] and annuities. On July 1, 1975[,] all of the assets and obligations of every type and description of the Motor Vehicle Security Fund as of the close of business on June 30, 1975[,] shall be transferred to the Maryland Insurance Guaranty Association and administered through the appropriate account under § 506 of this subtitle. ON JULY 1, 1981, ALL THE ASSETS AND OBLIGATIONS OF EVERY TYPE AND DESCRIPTION OF THE WORKMEN'S COMPENSATION INSOLVENCY FUND AT THE CLOSE OF BUSINESS ON ~~JULY~~ JUNE 30, 1981 SHALL BE TRANSFERRED TO THE MARYLAND INSURANCE GUARANTY ASSOCIATION AND ADMINISTERED THROUGH THE APPROPRIATE ACCOUNT UNDER § 506 OF THIS SUBTITLE.

506.

There is created a nonprofit unincorporated legal entity to be known as the Maryland Insurance Guaranty Association. All insurers defined as member insurers in § 505 (e) shall be and remain members of the Association as a condition of their authority to transact insurance in this State. The Association shall perform its functions under a plan of operation established and approved under § 509 and shall exercise its powers through a board of directors established under § 507. For purposes of administration and assessment, the Association shall be divided into [five] SIX separate accounts: (1) the title insurance account; (2) the surety insurance account; (3) wet marine and transportation insurance account; (4) motor vehicle insurance account; [and] (5) THE WORKMEN'S COMPENSATION ACCOUNT; AND (6) the account for all other insurance to which this subtitle applies.

508.

(a) The Association shall:

(3) Allocate claims paid and expenses incurred among the [five] SIX accounts separately, and assess member insurers separately for each account in amounts necessary to pay the obligation of the Association under paragraph (1) subsequent to an insolvency, the expenses of handling covered claims subsequent to an insolvency, the cost of examinations under § 513 and other expenses authorized by this subtitle. The assessments of each member insurer shall be in the proportion that the net direct written premiums of the member insurer for the preceding calendar year on the kinds of insurance in the account bears to the net direct written premiums of all member insurers for the preceding calendar year on the kinds of insurance in the account. Each member insurer shall be notified of the assessment not later than 30 days before it is due. No member insurer may be assessed in any year on any account in an amount greater than 2[%] PERCENT of that member insurer's net direct written premiums for the preceding calendar year on the