

House Bill 325, which was passed by the General Assembly and signed by me on May 13, 1986, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 374.

Sincerely,
Harry Hughes
Governor

Senate Bill No. 374

AN ACT concerning

Insurance - Unfair Claim Settlement Practices

FOR the purpose of prohibiting certain claim settlement practices on certain insurance and nonprofit health service plans; specifying certain penalties for violations of this Act; providing for the limitation of certain causes of action; stating that this Act provides only certain administrative remedies; providing that the Commissioner may find certain actions to violate this Act under certain circumstances; and generally relating to unfair insurance claim settlement practices.

BY adding to

Article 48A - Insurance Code
Section 230A
Annotated Code of Maryland
(1979 Replacement Volume and 1985 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 48A - Insurance Code

230A.

(A) IN THIS SECTION "POLICY" MEANS AN INDIVIDUAL OR GROUP POLICY, CONTRACT, OR CERTIFICATE ISSUED BY AN INSURER, INCLUDING A NONPROFIT HEALTH SERVICE PLAN.

(B) (1) THIS SECTION APPLIES TO ANY INDIVIDUAL OR GROUP POLICY DELIVERED OR ISSUED BY ANY INSURER, INCLUDING ANY NONPROFIT HEALTH SERVICE PLAN AUTHORIZED UNDER THE PROVISIONS OF SUBTITLE 20 OF THIS ARTICLE, IN THIS STATE OR ISSUED TO A GROUP WHICH HAS A MAIN OFFICE IN THIS STATE OR COVERING PERSONS WHO RESIDE OR WORK WITHIN THIS STATE.

(2) THIS SECTION DOES NOT APPLY TO REINSURANCE, WORKMEN'S COMPENSATION, OR SURETY.