

478A.

The purposes of this subtitle are:

(1) TO AUTHORIZE AND ESTABLISH THE JOINT INSURANCE ASSOCIATION.

[(1)] (2) To authorize and establish a program which would make essential property insurance [available] AND CERTAIN HOMEOWNER'S INSURANCE AVAILABLE FROM THE JOINT INSURANCE ASSOCIATION to all qualified applicants, with the least possible administrative detail and expense, subject to the conditions hereinafter stated.

[(2)] To enable insurers to become eligible for federal reinsurance under the provisions of the National Insurance Development Program (12 U.S.C., Section 1749bbb et seq., as found in Public Law 95-557 of 1978.)]

(3) To encourage the improvement of the condition of properties located in [the urban areas of] Maryland and to further orderly community development generally.

(4) To publicize the purposes and procedures of this subtitle to the end that no one may fail to seek its assistance through ignorance thereof.

[(5)] To encourage the delivery of certain homeowner's insurance at a rate that is actuarially self-supporting, but in no event shall be less than bureau or standard rates nor more than 30 percent above the bureau or standard rates.

(6) To authorize the Maryland Joint Insurance Association to bind eligible risks, to use premium installment payment plans, and to establish reasonable service standards in the program of operation subject to the approval and review of the Commissioner of Insurance.

(7) To authorize the Maryland Joint Insurance Association to offer certain homeowner's insurance coverage for eligible risks.

(8) To broaden representation on the Maryland Joint Insurance Association Governing Committee by including public representatives.]

[(9)] (5) To encourage the delivery of essential property insurance AND CERTAIN HOMEOWNER'S INSURANCE at the most reasonable cost possible, provided the pricing of [essential property] insurance [in the Maryland Joint Insurance Association] BY THE JOINT INSURANCE ASSOCIATION SHALL BE ACTUARIALLY SELF-SUPPORTING AND shall not actively compete with the pricing of [property] insurance in the voluntary insurance market.