

(i) Be a member of the Association; and

(ii) Remain a member as a condition of its authority to transact commercial casualty insurance in this State.

(3) Notwithstanding paragraph (1) of this subsection, other insurers may become member insurers with the approval of the Commissioner.

(b) (1) The Association is not a department, unit, agency, or instrumentality of the State.

(2) All debts, claims, obligations, and liabilities incurred by the Association shall be the debts, claims, obligations, and liabilities of the Association only and not of the State, its agencies, instrumentalities, officers, or employees.

(3) The Association moneys may not be considered part of the General Fund of the State.

(4) The State may not budget for or provide General Fund appropriations to the Association.

(5) The debts, claims, obligations, and liabilities of the Association may not be considered to be a debt of the State or pledge of its credit.

(c) The Association may:

(1) Establish a program of operation, subject to approval by the Commissioner;

(2) Issue policies of insurance and;

(3) Cede reinsurance on risks written by insurers in conformity with the program.

(d) Each member insurer shall participate in the expenses and losses of the Association in the proportion that the member insurer's premiums written bear to the aggregate premiums written by all members of the Association.

(e) (1) The Association shall be administered by a board of governors subject to the regulation of the Commissioner.

(2) The initial board of governors of the Association shall be the governing board of the Joint Insurance Association existing on July 1, 1986.

(3) Succeeding boards of governors shall consist of 15 members of the Association elected annually by the members of