

[(3)](8) On or before July 1, 1987 and all subsequent years following the annual certification and the deposit of the annual assessment payments into the respective insufficiency assessment reserve fund, the Association shall pay to the Fund, pursuant to § 243M, the entire [insufficiency] CERTIFIED assessment, exclusive of the portion of the [insufficiency] ASSESSMENT allocated to the Fund. Any other moneys for prior years remaining in the respective insufficiency assessment reserve fund shall be paid to the Fund on December 31 of each year [beginning in 1984. All moneys in the insufficiency assessment reserve fund as of June 30, 1987 shall be transferred into the private passenger automobile reserve fund as of July 1, 1987. Until such time as a separate commercial assessment allocation percentage is determined by the Association under this subsection, all member insurers who elect to recoup any fund assessment shall recoup from their commercial policyholders throughout the recoupment year according to the assessment allocation percentage most recently determined by the Association].

(c) Payments made by the member companies of the Association on account of assessments made by the Industry Automobile Insurance Association may not be deducted from any other assessment or tax required by law except a retaliatory tax.

(d) Money, property, and funds available to the Fund may be used for the general purposes of the Fund subject to the following conditions:

(1) Funds collected from premiums and income accruing from those funds may be used only for the payment of claims arising under policies issued by the Fund and for the administrative expenses of the Fund;

(2) The Fund shall keep separate records of any income and expenses directly attributable to the processing and payment of uninsured claims; and

(3) The Fund shall keep separate records of any income and expenses directly attributable to its commercial policy and claims operations.

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(d) The Board of Directors shall receive from the Maryland Automobile Insurance Fund the certification of any actual commercial or private passenger automobile [insufficiency] ASSESSMENT for a preceding calendar year in accordance with § 243A(b) of this article. On or before June 30 of each year in which the Board receives such a certification, it shall:

(1) Determine from the Insurance Commissioner the aggregate net direct written premiums of all members of the Association during the most recent calendar year determined by the Insurance Commissioner for commercial and private passenger categories of motor vehicle liability and physical damage insurance.

(2) Calculate commercial and private passenger automobile assessment allocation percentages by dividing the Fund's most recent certified [operating loss] ASSESSMENT, commercial and private passenger, by the total of (i) the respective aggregate net direct written premiums referred to in paragraph (1) of this subsection, plus (ii) the Fund's respective total net direct written premium for the same period. The assessment allocation percentage shall in no event exceed 3 percent for private passenger automobiles.