

SUBTITLE 3. PURPOSE AND GENERAL PROVISIONS OF FUND.

20-301. PURPOSE OF FUND; COMPOSITION; USE.

(A) PURPOSE OF FUND.

THE PURPOSE OF THE FUND IS TO PROVIDE THE FINANCIAL SECURITY REQUIRED UNDER § 17-103 OF THE TRANSPORTATION ARTICLE TO THOSE ELIGIBLE PERSONS THAT ARE UNABLE TO OBTAIN IT FROM AN ASSOCIATION MEMBER.

(B) COMPOSITION.

MONEYS OF THE FUND CONSIST OF REVENUES, PREMIUMS, AND OTHER RECEIPTS PROVIDED BY LAW.

(C) USE.

(1) ALL OPERATING EXPENSES OF THE FUND SHALL BE PAID FROM THE MONEYS COLLECTED BY OR FOR THE FUND.

(2) (I) SUBJECT TO SUBPARAGRAPHS (II) THROUGH (IV) OF THIS PARAGRAPH, MONEYS AND PROPERTY AVAILABLE TO THE FUND MAY BE USED FOR THE GENERAL PURPOSES OF THE FUND.

(II) PREMIUMS COLLECTED AND INCOME ACCRUING FROM THOSE PREMIUMS MAY BE USED ONLY FOR THE PAYMENT OF CLAIMS ARISING UNDER POLICIES ISSUED BY THE FUND AND FOR THE ADMINISTRATIVE EXPENSES OF THE FUND.

(III) THE FUND SHALL KEEP SEPARATE RECORDS OF ANY INCOME AND EXPENSES DIRECTLY ATTRIBUTABLE TO THE PROCESSING AND PAYMENT OF UNSATISFIED CLAIMS UNDER SUBTITLE 6 OF THIS TITLE.

(IV) THE FUND SHALL KEEP SEPARATE RECORDS OF ANY INCOME AND EXPENSES DIRECTLY ATTRIBUTABLE TO ITS COMMERCIAL POLICY AND CLAIMS OPERATIONS.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 243A(d) and the third sentence of (a), § 243B(a)(3), and the second sentence of § 243(a).

In subsection (a) of this section, the reference to "the financial security required under § 17-103 of the Transportation Article" is substituted for the former vague reference to "automobile insurance" to clarify the precise form of insurance that the Fund was created to provide.

Also in subsection (a) of this section, the reference to "an Association member" is substituted for the former phrase "private market" to conform to the terminology used in this title.

In subsection (b) of this section, the reference to revenues, premiums, and other receipts provided "by law" is substituted for the former reference to revenues, premiums, and other receipts "provided for in this subtitle" in light