

IN THIS SECTION, "NET DIRECT WRITTEN PREMIUMS" MEANS DIRECT GROSS PREMIUMS WRITTEN ON ALL POLICIES OF MOTOR VEHICLE LIABILITY INSURANCE AND PHYSICAL DAMAGE INSURANCE LESS RETURN PREMIUMS OR DIVIDENDS PAID OR CREDITED TO POLICYHOLDERS WITH RESPECT TO THOSE POLICIES.

(B) ASSESSMENT DUTIES OF BOARD OF DIRECTORS – IN GENERAL.

ON OR BEFORE JUNE 30 OF EACH YEAR IN WHICH THE BOARD OF DIRECTORS RECEIVES THE CERTIFICATION OF AN ACTUAL COMMERCIAL AUTO OR PRIVATE PASSENGER AUTO ASSESSMENT FOR A PRECEDING CALENDAR YEAR, THE BOARD OF DIRECTORS SHALL PERFORM THE DUTIES SPECIFIED IN THIS SECTION.

(C) SAME – DETERMINATION OF PREMIUMS.

THE BOARD OF DIRECTORS SHALL OBTAIN FROM THE COMMISSIONER THE AGGREGATE NET DIRECT WRITTEN PREMIUMS OF ALL ASSOCIATION MEMBERS DURING THE MOST RECENT CALENDAR YEAR DETERMINED BY THE COMMISSIONER FOR COMMERCIAL AUTO AND PRIVATE PASSENGER AUTO DIVISIONS OF MOTOR VEHICLE LIABILITY INSURANCE AND PHYSICAL DAMAGE INSURANCE.

(D) SAME – CALCULATION OF ASSESSMENT ALLOCATION PERCENTAGES.

(1) THE BOARD OF DIRECTORS SHALL CALCULATE ASSESSMENT ALLOCATION PERCENTAGES FOR COMMERCIAL AUTO AND PRIVATE PASSENGER AUTO DIVISIONS BY DIVIDING THE MOST RECENT CERTIFIED ASSESSMENT FOR COMMERCIAL AUTO AND PRIVATE PASSENGER AUTO DIVISIONS BY THE TOTAL OF:

(I) THE RESPECTIVE AGGREGATE NET DIRECT WRITTEN PREMIUMS OBTAINED UNDER SUBSECTION (C) OF THIS SECTION; AND

(II) THE RESPECTIVE TOTAL NET DIRECT WRITTEN PREMIUMS OF THE FUND FOR THE SAME PERIOD.

(2) THE ASSESSMENT ALLOCATION PERCENTAGE FOR THE PRIVATE PASSENGER AUTO DIVISION MAY NOT EXCEED 3%.

(E) SAME – NOTICE OF ASSESSMENT ALLOCATION PERCENTAGES.

THE BOARD OF DIRECTORS SHALL GIVE NOTICE OF THE ASSESSMENT ALLOCATION PERCENTAGES DETERMINED UNDER THIS SECTION TO THE FUND, THE COMMISSIONER, AND ALL ASSOCIATION MEMBERS.

(F) SAME – ASSESSMENT AND COLLECTION.

THE BOARD OF DIRECTORS PROMPTLY SHALL ASSESS AND COLLECT FROM EACH ASSOCIATION MEMBER FOR THE COMMERCIAL AUTO AND PRIVATE PASSENGER AUTO DIVISIONS AN ASSESSMENT OBTAINED BY:

(1) MULTIPLYING THE ASSOCIATION MEMBER'S NET DIRECT WRITTEN PREMIUMS IN EACH DIVISION FOR THE MOST RECENT CALENDAR YEAR DETERMINED BY THE COMMISSIONER BY THE APPROPRIATE ASSESSMENT ALLOCATION PERCENTAGE, CALCULATED UNDER SUBSECTION (D) OF THIS SECTION; AND