

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 243F(c) and the first clause of (a).

Defined terms: "Executive Director" § 20-101

"Fund" § 20-101

20-506. RESERVES FOR PAYMENT OF CLAIMS.

(A) IN GENERAL.

THE EXECUTIVE DIRECTOR SHALL:

(1) ESTABLISH AND MAINTAIN REASONABLE AND ADEQUATE RESERVES FOR PAYMENT OF CLAIMS AGAINST THE FUND; AND

(2) USE THE SAME CRITERIA AS IS REQUIRED FOR USE BY AN ASSOCIATION MEMBER IN DETERMINING THE AMOUNT OF RESERVES THAT ARE NECESSARY.

(B) REVIEW BY TRUSTEES.

AT LEAST ANNUALLY, THE BOARD OF TRUSTEES SHALL REVIEW THE REASONABLENESS AND ADEQUACY OF RESERVES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 243F(b).

In subsection (a)(2) of this section, the defined term "Association member" is substituted for the former reference to "private insurer" for clarity.

Defined terms: "Association member" § 20-101

"Board of Trustees" § 20-101

"Executive Director" § 20-101

"Fund" § 20-101

20-507. DETERMINATION, COLLECTION, AND FINANCING OF PREMIUMS.

(A) DETERMINATION OF PREMIUMS.

SUBJECT TO THE APPROVAL OF THE COMMISSIONER, THE EXECUTIVE DIRECTOR SHALL DETERMINE THE PREMIUMS TO BE CHARGED ON POLICIES ISSUED BY THE FUND.

(B) BASIS OF DETERMINATION.

(1) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, THE PROVISIONS OF § XX-XXX [ART. 48A, § 242(C)] OF THIS ARTICLE APPLY TO THE DETERMINATION OF PREMIUMS BY THE EXECUTIVE DIRECTOR.

(2) NOTWITHSTANDING § XX-XXX [ART. 48A, § 242(C)] OF THIS ARTICLE OR ANY OTHER PROVISION OF THIS TITLE, THE EXECUTIVE DIRECTOR MAY BASE PREMIUMS ON ONE OR BOTH OF THE FOLLOWING ITEMS: