(1)   THE FUND MAY EXERCISE IMMEDIATELY ANY OPTION UNDER § 20–513 OF THIS SUBTITLE IF THE FUND DETERMINES THAT THERE IS A LIKELIHOOD OF SUBSTANTIAL AND IMMEDIATE HARM TO THE FUND, ITS POLICYHOLDERS, OR OTHERS BECAUSE OF:

(I)   A VIOLATION OF A REGULATION THAT RELATES TO THE BINDING OF COVERAGE; OR

(II)   A FAILURE TO PAY MONEY OWED.

(2)   AFTER TAKING AN ACTION UNDER § 20–513 OF THIS SUBTITLE, THE FUND PROMPTLY SHALL GIVE NOTICE TO THE PRODUCER AND HOLD A HEARING WITHIN 10 WORKING DAYS BEFORE A MEMBER OF THE BOARD OF TRUSTEES.

(C)   PROCEDURES.

THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO PROVIDE PROCEDURES FOR NOTICE AND HEARINGS UNDER THIS SECTION.

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

In subsection (b)(1)(i) of this section, the reference to a "regulation that relates to the binding of coverage" is substituted for the former reference to "a binding rule of the Fund" for clarity and to conform to the terminology used throughout this article. See the General Revisor's Note to this article.

Defined terms: "Board of Trustees" § 20–101
       "Fund" § 20–101
       "Producer" § 20–101

20–515. RECOVERY OF MONEY OWED TO FUND.

(A)   FROM PRODUCERS.

THE FUND MAY USE THE MARYLAND TAX REFUND INTERCEPT PROGRAM TO RECOVER MONEY OWED TO THE FUND BY A PRODUCER IF THE FUND MAKES A DEMAND FOR THE MONEY AND THE PRODUCER DOES NOT MAKE PAYMENT.

(B)   FROM RESPONSIBLE PARTIES.

(1)   IF THE FUND MAKES PAYMENT TO A CLAIMANT, THE FUND IS SUBROGATED TO THE RIGHTS OF THE CLAIMANT AGAINST A RESPONSIBLE PARTY AND IS ENTITLED TO RECOVER ALL MONEY THAT THE FUND PAID OUT AND ACTUAL COLLECTION COSTS, INCLUDING REASONABLE ATTORNEY'S FEES.

(2)   THE FUND MAY RECOVER FROM THE RESPONSIBLE PARTY ALL MONEY THAT THE FUND PAID OUT UNDER THIS SUBTITLE IN ANY MANNER PROVIDED BY LAW, INCLUDING THE MARYLAND TAX REFUND INTERCEPT PROGRAM.

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