

REVISOR'S NOTE: This subsection is new language derived without substantive change from former Art. 48A, § 478B(2).

The former description of the Association as being formed by insurers to assist applicants in securing insurance and to administer the insurance program is deleted as unnecessary in light of §§ 25-402 and 25-403 of this subtitle to the same effect.

(C) ASSOCIATION MEMBER.

"ASSOCIATION MEMBER" MEANS AN INSURER THAT IS LICENSED TO WRITE IN THE STATE, ON A DIRECT BASIS, ESSENTIAL PROPERTY INSURANCE OR A COMPONENT OF ESSENTIAL PROPERTY INSURANCE IN MULTI-PERIL POLICIES.

REVISOR'S NOTE: This subsection is new language derived without substantive change from the first sentence of former Art. 48A, § 478C(1) as it described insurers that are members of the Association.

Former Art. 48A, § 478B(4), which defined "insurer" to mean any insurance company or other organization that is authorized to engage in the insurance business under the laws of any state, is deleted as unnecessary in this subtitle. The former term "insurer" was not used as it was defined in the former law. Instead, the term "insurer" was used if any insurer was meant, whether authorized or not, and the term "authorized insurer" was used if only an authorized insurer was meant, i.e., an insurer that holds a certificate of authority.

Defined terms: "Association" § 1-101

"Essential property insurance" § 25-401

"Insurer" § 1-101

"Policy" § 1-101

(D) ESSENTIAL PROPERTY INSURANCE.

(1) "ESSENTIAL PROPERTY INSURANCE" MEANS INSURANCE AGAINST DIRECT LOSS TO PROPERTY FROM THE PERILS OF FIRE, LIGHTNING, REMOVAL, EXPLOSION, WINDSTORM, HAIL, SMOKE, AIRCRAFT, VEHICLES, RIOT, CIVIL COMMOTION, OR VANDALISM AS DEFINED AND LIMITED IN PROPERTY INSURANCE FORMS THAT THE ASSOCIATION FILES WITH THE COMMISSIONER.

(2) "ESSENTIAL PROPERTY INSURANCE" DOES NOT INCLUDE:

(I) AUTOMOBILE INSURANCE;

(II) INLAND MARINE INSURANCE; OR

(III) INSURANCE ON PROPERTY THAT:

1. IS USED FOR FABRICATION, PROCESSING, OR ASSEMBLY OF PRODUCTS OR COMPONENTS OF PRODUCTS;

2. HAS AN INSURABLE VALUE IN EXCESS OF \$250,000; AND