

(6) TO ENCOURAGE THE DELIVERY OF ESSENTIAL PROPERTY INSURANCE, AND THE HOMEOWNER'S INSURANCE THAT IS PROVIDED BY THE ASSOCIATION, AT THE MOST REASONABLE COST POSSIBLE, PROVIDED THAT INSURANCE PRICING BY THE ASSOCIATION:

(I) IS ACTUARIALLY SELF-SUPPORTING; AND

(II) DOES NOT ACTIVELY COMPETE WITH INSURANCE PRICING IN THE VOLUNTARY INSURANCE MARKET.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 48A, § 478A.

In item (1)(ii) of this section, the former phrase "subject to the conditions hereinafter stated" is deleted as implicit.

In items (1)(iii) and (6) of this section, the reference to "the homeowner's insurance that is provided by the Association" is substituted for the former reference to "certain homeowner's insurance" for clarity. See § 25-401(e) of this subtitle, which defines "homeowner's insurance" for purposes of this subtitle.

- Defined terms: "Association" § 25-401
- "Essential property insurance" § 25-401
- "Homeowner's insurance" § 25-401
- "Insurance" § 1-101

25-403. JOINT INSURANCE ASSOCIATION.

(A) ESTABLISHED.

- (1) THERE IS A JOINT INSURANCE ASSOCIATION.
- (2) THE ASSOCIATION IS AN UNINCORPORATED ASSOCIATION.

(B) COMPOSITION; MEMBERSHIP IN ASSOCIATION REQUIRED.

(1) THE ASSOCIATION CONSISTS OF ALL INSURERS THAT ARE LICENSED TO WRITE IN THE STATE, ON A DIRECT BASIS, ESSENTIAL PROPERTY INSURANCE OR A COMPONENT OF ESSENTIAL PROPERTY INSURANCE IN MULTI-PERIL POLICIES.

(2) AS A CONDITION OF ITS AUTHORITY TO TRANSACT ESSENTIAL PROPERTY INSURANCE BUSINESS IN THE STATE, AN INSURER MUST BE AND REMAIN AN ASSOCIATION MEMBER.

(C) POWERS.

THE ASSOCIATION MAY:

(1) ESTABLISH A PROGRAM OF OPERATION, SUBJECT TO THE APPROVAL OF THE COMMISSIONER; AND