

Annotated Code of Maryland

(1996 Volume)

(As enacted by Chapter 11 of the Acts of the General Assembly of 1996)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 20-404(b)

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(1996 Volume)

(As enacted by Chapter 11 of the Acts of the General Assembly of 1996)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Insurance**

20-404.

(a) On or before March 15 of each year, the Fund shall determine and the Board of Trustees shall certify to the Board of Directors the information required under subsections (b) and (c) of this section.

(b) Subject to subsection (f) of this section, the following information certified to the Board of Directors shall be separately identified by commercial auto and private passenger auto results:

(1) the statutory operating loss for the immediately preceding calendar year;  
[and]

(2) a calculation to yield [an] A PRIVATE PASSENGER AUTO assessment limit that is determined by subtracting the year-end TOTAL surplus of the Fund for the immediately preceding calendar year from an amount equal to 25% of the average of net direct written PRIVATE PASSENGER AUTO premiums of the Fund for each of the three immediately preceding calendar years; AND

(3) A CALCULATION TO YIELD A COMMERCIAL AUTO ASSESSMENT LIMIT THAT IS DETERMINED BY SUBTRACTING THE YEAR-END COMMERCIAL AUTO SURPLUS OF THE FUND FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR FROM AN AMOUNT EQUAL TO 25% OF THE AVERAGE OF NET DIRECT WRITTEN COMMERCIAL AUTO PREMIUMS OF THE FUND FOR EACH OF THE 3 IMMEDIATELY PRECEDING CALENDAR YEARS.

(f) In a calculation made under this section, income or expenses not clearly attributable to either commercial auto or private passenger auto may be allocated pro rata for that year.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1997.

Approved May 22, 1997.