

1. SHALL REVIEW ADMINISTRATIVE EXPENSES SUBMITTED BY AN AUTHORIZED INSURER THAT ARE ASSOCIATED WITH LATE PAYMENTS OR INSTALLMENT PAYMENTS; AND

2. MAY APPROVE A LATE FEE OR INSTALLMENT FEE NOT TO EXCEED \$10.

(III) A LATE FEE MAY NOT BE IMPOSED:

1. DURING ANY GRACE PERIOD REQUIRED BY LAW OR REGULATION ON A POLICY OF INSURANCE; OR

2. IF NO GRACE PERIOD IS REQUIRED BY LAW OR REGULATION ON A POLICY OF INSURANCE, UNTIL ~~10~~ 2 BUSINESS DAYS AFTER THE DATE THE PAYMENT AMOUNT BECOMES DUE.

(IV) AN AUTHORIZED INSURER SHALL CREDIT EACH PAYMENT RECEIVED FROM AN INSURED TO THE PREMIUM OWED BY THE INSURED BEFORE CREDITING THE PAYMENT TO A LATE FEE OR INSTALLMENT FEE OWED BY THE INSURED.

(V) A POLICY OF INSURANCE MAY NOT BE CANCELED FOR THE FAILURE TO PAY A SINGLE LATE FEE OR SINGLE INSTALLMENT FEE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2001.

May 17, 2001

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate
State House
Annapolis MD 21401

Dear Mr. President:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 200 - Transportation - Distribution and Use of Revenues.

This bill increases funding for the Transportation Trust Fund in order to support expenditures under the Governor's mass transit initiative by shifting certain revenue sources that are currently directed to the general fund.

House Bill 309, which was passed by the General Assembly and signed by me, accomplishes the same purpose. Therefore, it is not necessary for me to sign Senate Bill 200.

Sincerely,
Parris N. Glendening
Governor