

SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly:

(a) to establish an internal grievance process for private passenger automobile insurance consumers in this State; and

(b) that any regulations authorized in this Act be adopted by the Maryland Insurance Commissioner with an effective date that will afford insurers sufficient notice and opportunity to comply with all statutory and regulatory requirements.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) the Commissioner, in consultation with authorized private passenger automobile insurers, shall conduct a study regarding the feasibility of establishing an internal grievance process for the resolution of complaints regarding proposed adverse action by insurers with respect to private passenger automobile insurance premium increases.

(b) the study may examine:

(1) the information that should be included in a notice of adverse action;

(2) the procedures and time frame that should be established by an insurer for internal review of a complaint;

(3) whether an insured should be required to exhaust the insurer's internal grievance process before the insured may file a complaint with the Insurance Commissioner; and

(4) an appropriate standard to determine the sufficiency of information provided on a notice.

(c) on or before December 15, 2002, the Commissioner shall make recommendations, in accordance with § 2-1246 of the State Government Article, regarding the feasibility of establishing an internal grievance procedure to the House Economic Matters and Senate Finance Committees.

SECTION 5. 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2002, contingent on the taking effect of Chapter 580 (H.B. 521) of the Acts of the General Assembly of 2002. If Chapter 580 (H.B. 521) does not become effective, this Act shall be null and void without the necessity of further action by the General Assembly.

Approved May 16, 2002.