19-706.

(ZZ) THE PROVISIONS OF  $\S$  15–713 OF THE INSURANCE ARTICLE APPLY TO HEALTH MAINTENANCE ORGANIZATIONS.

SECTION 2. AND BE IT FURTHER ENACTED, That the Maryland Insurance Administration shall report to the Governor and, in accordance with § 2–1246 of the State Government Article, to the General Assembly on or before October 1, 2006 on the effect of this Act, including fees paid to podiatrists and physicians, health insurance premiums, podiatrist and physician participation in third party payer programs, and any recommendations for legislative or regulatory action.

SECTION 3. 2. AND BE IT FURTHER ENACTED, That this Act applies to all policies and contracts subject to this Act that are delivered, issued for delivery, or renewed in the State on or after October 1, 2004.

SECTION 4. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2004.

May 26, 2004

The Honorable Michael E. Busch Speaker of the House State House Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 422 – Insurance – Surplus Lines Brokers – Policy and Inspection Fees.

This bill alters specified authority of specified surplus lines brokers, to charge policy fees on specified policies, procured by licensed producers, to whom the surplus lines broker pays a commission. It specifies a limit on the policy fee that a specified surplus lines broker may charge, on a policy issued by an authorized insurer, which was procured by specified licensed producers, to whom the surplus lines broker pays a commission.

Senate Bill 238, which was passed by the General Assembly and signed by me on May 11, 2004, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 422.

Very truly yours, Robert L. Ehrlich, Jr. Governor

## House Bill No. 422

AN ACT concerning

Insurance - Surplus Lines Brokers - Policy and Inspection Fees