

(iii) that a failure of the first named insured to make a waiver requires an insurer to provide the coverage described in § 19-505 of this subtitle;

(iv) that an insurer may not refuse to underwrite a person because the person refuses to waive the coverage described in § 19-505 of this subtitle; and

(v) that a waiver made under this section must be an affirmative written waiver.

(e) A waiver made under this section by a person that is insured continuously by the Maryland Automobile Insurance Fund OR THE INSURER is effective until the waiver is withdrawn in writing.

(f) (1) An insurer may not refuse to underwrite a person because the person refuses to waive the coverage described in § 19-505 of this subtitle.

(2) An insurer that violates this subsection is subject to the penalties provided by §§ 4-113 and 4-114 of this article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2004.

Approved May 11, 2004.

CHAPTER 256

(Senate Bill 238)

AN ACT concerning

Insurance - Surplus Lines Brokers - Policy and Inspection Fees

FOR the purpose of altering certain authority of certain surplus lines brokers to charge certain policy fees on certain policies procured by certain licensed producers to whom the surplus lines broker pays a commission; specifying a certain limit on the policy fee that a certain surplus lines broker may charge on a policy issued by an authorized insurer that was procured by ~~a licensed producer~~ certain licensed producers to whom the surplus lines broker pays a commission; requiring the policy fee to be reasonably related to the cost of underwriting, issuing, processing, and servicing the policy by the surplus lines broker for the authorized insurer; authorizing a certain surplus lines broker to recoup from a prospective insured the actual cost of an inspection required for the placement of the insurance with an authorized insurer under certain circumstances; specifying that only one inspection fee may be charged to recoup the actual cost of an inspection for each policy or certificate of coverage issued by an authorized insurer; specifying that only one policy fee may be charged for each policy or certificate of coverage issued by an authorized insurer; and generally relating to policy and inspection fees charged by surplus lines brokers.

BY repealing and reenacting, with amendments,