

Also in subsection (e) of this section, the former words “compromise” and “compromised” are deleted as implicit in the words “settlement” and “settled”.

The third sentence of former Art. 101, § 77(a), which imposed on an employer whose policy is cancelled a duty to obtain coverage “in accordance with one of the ways set forth in § 16”, is deleted as unnecessary in light of the absence of penalties or other means to enforce the duty. However, violation of the referenced former Art. 101, § 16 — now § 9-402 of this article — is subject to penalties.

The Labor and Employment Article Review Committee notes, for consideration by the General Assembly, that subsection (a) of this section is revised to clarify that the Board has the discretion to require an employer to pay an estimated premium before issuance of a policy. The Board interpreted former Art. 101, § 74 as mandating advance payment and is concerned that the revision will result in numerous requests for waiver of the prepayment. The General Assembly may wish to consider whether prepayment should be required.

The Committee also notes that former Art. 101, § 77(a) and (b) specifically authorized action by “the commissioners”, the “superintendent”, or the “assistant superintendent”. This authority is retained in subsection (c)(1) of this section. The General Assembly may wish to consider, however, whether it intended this grant of authority to allow the superintendent or assistant superintendent to act independently or merely to allow these officers to carry out a decision of the Board. See the revisor’s note to § 10-113 of this subtitle.

The Committee also notes that the provisions for service of notice on a corporation or partnership — now subsection (c)(3) of this section — vary slightly from CA §§ 1-401(b) and 9-304, and it is unclear whether these variations intentionally abrogate the general provisions for service.

Defined terms: “Board” § 10-101

“Fund” § 10-101 “Policyholder” § 10-101

10-134. CERTIFICATE OF INSURANCE.

THE BOARD SHALL ISSUE A CERTIFICATE OF INSURANCE.

REVISOR’S NOTE: This section is new language substituted for the reference, in the second sentence of former Art. 101, § 75, to issuance of “certificates for benefits accrued and accruing from the ... Fund”, for accuracy and clarity.

The Labor and Employment Article Review Committee notes, for consideration by the General Assembly, that it may wish to require that a certificate be issued only on request, to conform to the current practice of the Board.

Defined term: “Board” § 10-101