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(a) No mutual insurer shall be issued a certificate of authority until bona fide applications have been received and cash premiums collected in such amount that the premiums, together with any other funds which may be legally available, will result in the insurer having unencumbered assets over and above all required reserves and other liabilities in an amount at least equal to that required under either (1) §§ 48 and 49 if the insurer is to be authorized to do business on a nonassessable basis, or (2) § 253 if the insurer is to be authorized to do business on an assessable basis.

(b) No insurer commencing business in this State on or after July 1, 1968, shall issue policies of vehicle liability insurance on an assessable basis. Insurers writing assessable vehicle liability policies on July 1, 1968, shall cease issuing such policies after December 31, 1969.

SECTION 2. AND BE IT FURTHER ENACTED, That where an insurer, which commenced business in this State before July 1, 1965, was subject to delinquency proceedings under Subtitle 10 of Article 48A of the Code before the effective date of this Act, and was purchased pursuant to Court Order in the delinquency proceedings under a Purchase Agreement conditioned upon the licensing of the insurer by the Insurance Commissioner by application of the requirements of Article 48A, § 48 of the Code existing before the effective date of this Act, the insurer shall be subject to the requirements of § 48 existing before the effective date of this Act, and not to the provisions of Section 1 of this Act. The provision of this Section shall remain effective for a period of twenty years and, at the end of June 30, 2011, and with no further action required by the General Assembly, this Section shall be abrogated and of no further force and effect.

SECTION 3. AND BE IT FURTHER ENACTED, That to qualify for authority to engage in the business of insurance as an insurer first commencing business in this State, a corporation shall possess and thereafter maintain paid-in capital stock having a fixed nominal or par value in an amount not less than as applicable before July 1, 1991, under Article 48A, § 48 of the Code, provided the corporation initially filed with the Commissioner an application for a certificate of authority to engage in the insurance business before ~~January 15, 1991~~ February 1, 1991, and provided the application is approved before July 1, 1992.

SECTION 4. AND BE IT FURTHER ENACTED, That no later than December 1, 1995 the Insurance Commissioner shall submit a report to the Governor and, subject to § 2-1312 of the State Government Article, the General Assembly recommending any changes which the Insurance Commissioner deems to be appropriate in Article 48A, §§ 48 and 49 of the Code and shall submit a similar report at least once every 5 years thereafter.

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1991.