

SENATE BILL 165

C4

0lr1672
CF 0lr1733

By: **Senator Kelley**

Introduced and read first time: January 13, 2020

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance – Industry Automobile Insurance Association – Board of Directors**

3 FOR the purpose of altering the nominating entity for certain Industry Automobile
4 Insurance Association board members; making conforming changes; and generally
5 relating to the Industry Automobile Insurance Association.

6 BY repealing and reenacting, with amendments,
7 Article – Insurance
8 Section 20–403
9 Annotated Code of Maryland
10 (2017 Replacement Volume and 2019 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That the Laws of Maryland read as follows:

Article – Insurance

14 20–403.

15 (a) There is a Board of Directors to administer the Association.

16 (b) (1) The Board of Directors consists of nine members elected by Association
17 members.

18 (2) Of the nine members of the Board of Directors:

19 (i) [two shall be nominated by the American Insurance Association;

20 (ii) two] **FOUR** shall be nominated by the **AMERICAN** Property
21 Casualty Insurers Association [of America];

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 [(iii)] (II) one shall be associated with a domestic insurer that is not
2 affiliated with [a group listed in item (i) or (ii) of this paragraph] **THE AMERICAN**
3 **PROPERTY CASUALTY INSURERS ASSOCIATION**;

4 [(iv)] (III) two may not be affiliated with a member company of [a
5 group listed in item (i) or (ii) of this paragraph] **THE AMERICAN PROPERTY CASUALTY**
6 **INSURERS ASSOCIATION** or with a domestic insurer that is otherwise represented on the
7 Board of Directors; and

8 [(v)] (IV) two shall be nominated by the members of the Board of
9 Directors selected under items (i) through [(iv)] (III) of this paragraph.

10 (3) The term of a member of the Board of Directors is 1 year.

11 (4) If [a group listed in paragraph (2)(i) or (ii) of this subsection] **THE**
12 **AMERICAN PROPERTY CASUALTY INSURERS ASSOCIATION** fails to submit the name
13 of a nominee at least 10 days before the election, the requirement that [two] **FOUR** directors
14 be from among nominees of that group need not be met for that year.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 October 1, 2020.