

land (1968 Supplement), title "Insurance Code," subtitle "Unauthorized Insurers," to correct certain technical errors contained therein.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 202, 208 (a) and 211A of Article 48A of the Annotated Code of Maryland (1968 Supplement), title "Insurance Code," subtitle "Unauthorized Insurers," be and they are hereby repealed and re-enacted, with amendments, to read as follows:

202.

The purpose of this subtitle is to subject certain persons and insurers to the jurisdiction of the Commissioner, [of] in proceedings before the Commissioner, and [of] to the courts of this State in suits by or on behalf of the State and insureds or beneficiaries under insurance contracts. The General Assembly declares that it is a subject of concern that many residents of this State hold policies of insurance issued by persons and insurers not authorized to do insurance business in this State, thus presenting to such residents the often insuperable obstacle of asserting their legal rights under such policies in forums foreign to them under laws and rules of practice with which they are not familiar. The General Assembly declares that it is also concerned with the protection of residents of the State against acts by persons and insurers not authorized to do an insurance business in this State, by the maintenance of fair and honest insurance markets, by protecting the premium tax revenues of this State, by protecting authorized persons and insurers, which are subject to strict regulation, from unfair competition by unauthorized persons and insurers and by protecting against the evasion of the insurance regulatory laws of the State. In furtherance of such State interest, the General Assembly herein provides methods for substituted service of process upon such persons or insurers in any proceeding, suit or action in any court and substitute service of any notice, order, pleading or process upon such persons or insurers in any proceeding before the Commissioner to enforce or effect full compliance with the insurance and tax statutes of the State, and declares in so doing it exercises its power to protect residents of this State and to define what constitutes doing an insurance business in this State, and also exercises powers and privileges available to the State by virtue of Public Law 15, 79th Congress of the United States, (Chapter 20, 1st Sess., S. 340), as amended, which declares that the business of insurance and every person engaged therein shall be subject to the laws of the several states.

208.

(a) Except as to premiums on lawfully procured surplus lines insurance and premiums on independently procured insurance on which a tax has been paid pursuant to Section [211] 209 of this Article, every unauthorized insurer shall pay to the Commissioner before March 1 next succeeding the calendar year in which the insurance was so effectuated, continued or renewed a premium receipts tax of three per cent (3%) of gross premiums charged for such insurance, other than wet marine and transportation insurance as defined in Section 70 (2) of this Article, on subjects resident, located or to be performed in this State. Such insurance on subjects