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Automobile Insurance Enforcement Account

Sec. 14-12i-1. Payments by insurers for expenditures from the automobile insurance enforcement account

Each insurance company which issues a private passenger automobile liability insurance policy in Connecticut, shall pay to the Insurance Commissioner, for deposit in the Automobile Insurance Enforcement Account established under Public Act 93-298, an amount equal to the assessment calculated in accordance with Section 14-12i-2.

(Effective October 22, 1993)

Sec. 14-12i-2. Assessment of payments by private passenger automobile insurers

(a) The Commissioner of Motor Vehicles shall render to the Insurance Commissioner an itemized budget statement approved by the Secretary of the Office of Policy and Management estimating the amount of money necessary to: (1) establish the procedures necessary to implement the provisions of Public Act 93-298, "An Act Concerning Cancellation of Automobile Insurance Coverages," (2) acquire the necessary equipment, including computer hardware and software, and (3) take such other actions as are necessary to implement the provisions of Public Act 93-298, provided the total assessment of all insurers shall not exceed one million dollars.

(b) Within three weeks of receipt of the budget estimate described in subsection (a) of this section, the Insurance Commissioner shall render to each affected insurer the proposed assessment against that company, calculated in accordance with the provisions of subsection (d) of this section.

(c) The Insurance Commissioner shall collect the assessments after thirty days' written notice to the affected insurers before payment is due. Assessments shall be remitted to the Insurance Department and the Commissioner shall deposit all payments made under this section with the State Treasurer and the monies so deposited shall be credited to the Automobile Insurance Enforcement Account established pursuant to Public Act 93-298.

(d) The assessment of each insurer shall be calculated in the proportion that the direct premiums written by the insurer bears to the total of such premiums received on business in this state by all assessed insurers. For purposes of this subsection, the "direct premiums written" shall be the direct written premiums received on private passenger automobile liability insurance policies written in this state by each insurer as reported in the "Exhibit of Premiums and Losses," page 14 (line 19.2) of its annual financial statement filed with the Commissioner pursuant to Section 38a-53 of the General Statutes for the preceding calendar year. No insurer shall be liable to pay an assessment if its direct premiums written are less than one thousand dollars. Computation of assessments under this section shall be made with a reasonable degree of accuracy, recognizing that exact determination may not always be possible.

(Effective October 22, 1993)

Sec. 14-12i-3. Penalty for failure to pay assessment

The Insurance Commissioner may, pursuant to Section 38a-41 (c) of the General Statutes, suspend or revoke the certificate of authority issued to any insurer upon the failure of the insurer to pay the assessment authorized by Public Act 93-298.

(Effective October 22, 1993)