

[Md. Code, Ins. §§ 27-101 through 27-105.]

§§ 27-101 through 27-105: Unfair Trade Practices and Other Prohibited Practices, General Provisions

§ 27-101. Purpose of title

The purpose of this title is to regulate trade practices in the business of insurance in accordance with the intent of Congress expressed in the McCarran-Ferguson Act, 15 U.S.C. §§ 1011 through 1015, by defining, or providing for the determination of, all trade practices in the business of insurance in the State that are unfair methods of competition or unfair or deceptive acts or practices and by prohibiting those trade practices.

§ 27-102. Unfair trade practices prohibited

A person may not engage in the State in a trade practice that is defined in this title as, or determined under this title to be, an unfair method of competition or an unfair or deceptive act or practice in the business of insurance.

§ 27-103. Cease and desist orders

(a)(1) If the Commissioner finds that a person in the State has engaged or is engaging in an act or practice that is defined in or prohibited under this title, the Commissioner shall order the person to cease and desist from the act or practice.

(2) The Commissioner shall hold a hearing before the Commissioner issues a cease and desist order under this subsection.

(3) The Commissioner shall give the person notice of the hearing and the charges against the person.

(b) The cease and desist order is final:

(1) if no appeal is taken, when the time allowed for taking an appeal from an order of the Commissioner expires; or

(2) if an appeal is taken, when the court issues a final decision that affirms the cease and desist order or dismisses the appeal.

(c) If an appeal is taken, the court shall issue its own order that requires compliance with the terms of the cease and desist order to the extent that the cease and desist order is affirmed.

(d) Violation of a cease and desist order issued under this section is deemed to be and is punishable as a violation of this article.

(e) A cease and desist order issued under this section or an order of court that enforces it does not relieve any person affected by the order from any other liability, penalty, or forfeiture under law.

(f) Regardless of whether a hearing is scheduled or held or a cease and desist order is issued, this section does not affect or prevent the imposition of a penalty provided by this article or other law for violation of another provision of this title.

§ 27-104. Procedures for practice not expressly defined

(a) If the Commissioner believes that a person engaged in the insurance business is engaging in the State in a method of competition or in an act or practice in the conduct of insurance business that, although not defined in this title, is an unfair method of competition or an unfair or deceptive act or practice and that a proceeding by the Commissioner with respect to the method of competition, act, or practice would be in the public interest, the Commissioner shall:

- (1) give the person notice of the hearing and the charges against the person;
- (2) hold the hearing;
- (3) make a written report of the Commissioner's findings of fact about the charges; and
- (4) serve a copy of the report on the person against whom the charges were brought and any intervenor at the hearing.

(b)(1) If the report charges a violation of this title and the unfair method of competition or unfair or deceptive act or practice continues, the Commissioner, through the Attorney General, after service of the report, may bring an action to enjoin and restrain the person from engaging in the method of competition, act, or practice.

(2) The Commissioner's report and findings, all evidence taken in the hearing, and, if a stenographic record of the proceedings in the hearing before the Commissioner was made, a certified transcript of the hearing shall be received in evidence in an action under this subsection.

(3) In an action under this subsection, the court may issue an injunction or restraining order on any terms that are just.

(4) The court may not require the Commissioner to give security before the court issues the injunction or restraining order.

§ 27-105. Appeal by intervenor

If an order issued by the Commissioner under § 27-103 of this subtitle or a report of the Commissioner made under § 27-104 of this subtitle does not charge a violation of this title, any intervenor in the proceedings may appeal from the order or report in the time and manner provided in this article for appeals from orders of the Commissioner generally.