



**Title:** Maryland Senate Bill 697

**Subject:** Contractual Liability Policies

**Summary:**

Maryland Senate Bill 697 is legislation pursued by the SCIC concerning contractual liability policies (CLIPs) for mechanical repair contract providers.

The bill authorizes the use of “default” CLIPS for mechanical repair contract providers to demonstrate their financial responsibility. The bill also authorizes the use of more than one CLIP to back the contracts of mechanical repair contract providers.

Finally, the bill also allows such policies to be issued by a risk retention group.

Effective Date: October 1, 2022.

Date Filed: 02/04/2022

Date/Type of Last Action:	02/04/2022	First Reading Finance Text - First - Vehicle Laws – Mechanical Repair Contracts – Insurance Reserves
	02/08/2022	Hearing 3/2 at 1:00 p.m.
	03/11/2022	Favorable with Amendments Report by Finance
	03/14/2022	Second Reading Passed with Amendments
	03/16/2022	Third Reading Passed (44-0)
	03/16/2022	Referred to Economic Matters in House
	04/07/2022	Favorable Report by Economic Matters (14-4) Favorable Adopted Second Reading Passed
	04/08/2022	Third Reading Passed (99-38) Senate Returned Passed