

Chapter 270

(House Bill 342)

AN ACT concerning

Homeowner's or Renter's Insurance and Private Passenger Motor Vehicle Insurance – Bundling Requirement – Prohibited

FOR the purpose of prohibiting an insurer, with respect to homeowner's insurance or renter's insurance, from denying, refusing to renew, or canceling coverage solely because the applicant or policyholder does not carry private passenger motor vehicle insurance with ~~the insurer~~ certain insurers; prohibiting an insurer, with respect to private passenger motor vehicle insurance, from denying, refusing to renew, or canceling coverage solely because the applicant or policyholder does not carry homeowner's insurance or renter's insurance with ~~the insurer~~ certain insurers; providing that this Act does not prohibit certain actions by an applicant, a policyholder, or an insurer with respect to certain insurance policies; providing for the application of this Act; and generally relating to bundling policies of homeowner's insurance or renter's insurance and private passenger motor vehicle insurance.

BY adding to

Article – Insurance

Section 27–501(r)

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)

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

Article – Insurance

27–501.

(R) (1) THIS SUBSECTION APPLIES TO HOMEOWNER'S INSURANCE, RENTER'S INSURANCE, AND PRIVATE PASSENGER MOTOR VEHICLE INSURANCE.

(2) WITH RESPECT TO HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE, AN INSURER MAY NOT DENY, REFUSE TO RENEW, OR CANCEL COVERAGE FOR AN APPLICANT OR A POLICYHOLDER SOLELY BECAUSE THE APPLICANT OR POLICYHOLDER DOES NOT CARRY PRIVATE PASSENGER MOTOR VEHICLE INSURANCE WITH THE INSURER OR ANOTHER INSURER IN THE SAME INSURANCE HOLDING COMPANY SYSTEM, AS DEFINED IN § 7–101 OF THIS ARTICLE.

~~(2)~~ (3) WITH RESPECT TO PRIVATE PASSENGER MOTOR VEHICLE INSURANCE, AN INSURER MAY NOT DENY, REFUSE TO RENEW, OR CANCEL COVERAGE FOR AN APPLICANT OR A POLICYHOLDER SOLELY BECAUSE THE APPLICANT OR POLICYHOLDER DOES NOT CARRY HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE WITH THE INSURER OR ANOTHER INSURER IN THE SAME INSURANCE HOLDING COMPANY SYSTEM, AS DEFINED IN § 7-101 OF THIS ARTICLE.

~~(3)~~ (4) THIS SUBSECTION DOES NOT PROHIBIT:

(I) AN APPLICANT OR A POLICYHOLDER FROM BUNDLING HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE AND PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICIES IF THE APPLICANT OR POLICYHOLDER CHOOSES TO DO SO; OR

(II) AN INSURER FROM OFFERING DISCOUNTS OR OTHER INCENTIVES TO APPLICANTS OR POLICYHOLDERS WHO CHOOSE TO BUNDLE HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE AND PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICIES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies of homeowner's insurance, renter's insurance, and private passenger motor vehicle insurance issued, delivered, or renewed in the State on or after October 1, 2013.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 2, 2013.