

SENATE BILL 446

C4
HB 1105/12 – ECM

3lr2601
CF HB 342

By: **Senators Pugh, Benson, Conway, Forehand, Madaleno, McFadden,
Montgomery, ~~and Peters~~ Peters, Garagiola, and Ramirez**

Introduced and read first time: January 30, 2013

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 25, 2013

CHAPTER _____

1 AN ACT concerning

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

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

16 BY adding to
17 Article – Insurance
18 Section 27–501(r)
19 Annotated Code of Maryland
20 (2011 Replacement Volume and 2012 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Article – Insurance

2 27–501.

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

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

12 ~~(2)~~ (3) WITH RESPECT TO PRIVATE PASSENGER MOTOR
13 VEHICLE INSURANCE, AN INSURER MAY NOT DENY, REFUSE TO RENEW, OR
14 CANCEL COVERAGE FOR AN APPLICANT OR A POLICYHOLDER SOLELY BECAUSE
15 THE APPLICANT OR POLICYHOLDER DOES NOT CARRY HOMEOWNER’S
16 INSURANCE OR RENTER’S INSURANCE WITH THE INSURER OR ANOTHER
17 INSURER IN THE SAME INSURANCE HOLDING COMPANY SYSTEM, AS DEFINED IN
18 § 7–101 OF THIS ARTICLE.

19 ~~(3)~~ (4) THIS SUBSECTION DOES NOT PROHIBIT:

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

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

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
29 policies of homeowner’s insurance, renter’s insurance, and private passenger motor
30 vehicle insurance issued, delivered, or renewed in the State on or after October 1,
31 2013.

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