

HOUSE BILL 678

C4

6lr2787
CF SB 470

By: **Delegate Branch**

Introduced and read first time: February 4, 2016

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 24, 2016

CHAPTER _____

1 AN ACT concerning

2 **Surety Insurance – Application for Bonds**

3 FOR the purpose of altering the prohibition against a surety insurer inquiring about certain
4 information in connection with an application for certain types of bond; and generally
5 relating to surety insurance and bonds.

6 BY repealing and reenacting, without amendments,
7 Article – Insurance
8 Section 27–502(a) and (b)
9 Annotated Code of Maryland
10 (2011 Replacement Volume and 2015 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – Insurance
13 Section 27–502(c)
14 Annotated Code of Maryland
15 (2011 Replacement Volume and 2015 Supplement)

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

18 **Article – Insurance**

19 27–502.

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 (a) A surety insurer may not cancel or refuse to issue or renew a surety bond for
2 a reason based wholly or partly on race, color, creed, sex, or physical handicap or disability
3 of an applicant or principal or for any other arbitrary, capricious, or unfairly discriminatory
4 reason.

5 (b) A surety insurer may not require special conditions, facts, or situations as a
6 condition to its acceptance or renewal of a particular surety risk in an arbitrary, capricious,
7 unfair, or discriminatory manner based wholly or partly on race, creed, color, sex, religion,
8 national origin, place of residence, or physical handicap or disability.

9 (c) A surety insurer may not make an inquiry about race, creed, color, or national
10 origin in a surety form, questionnaire, or other manner of requesting general information
11 that relates to an application for a surety bond **OTHER THAN A BAIL BOND OR AN**
12 **IMMIGRATION BOND.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2016.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.