

SENATE BILL 470

C4

0lr3479
CF HB 431

By: **Senator Hester**

Introduced and read first time: January 29, 2020

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 4, 2020

CHAPTER _____

1 AN ACT concerning

2 **Motor Vehicle and Homeowner's Insurance – Use of Claim History in Rating**
3 **Policies**

4 FOR the purpose of prohibiting an insurer, with respect to private passenger motor vehicle
5 insurance, from increasing the premium for an insured based on a homeowner's
6 insurance claim under certain circumstances; prohibiting an insurer, with respect to
7 homeowner's insurance, from increasing the premium for an insured based on a
8 private passenger motor vehicle insurance claim under certain circumstances;
9 authorizing certain insurers to consider certain information when rating certain
10 insurance policies under certain circumstances; providing for a delayed effective
11 date; and generally relating to rating policies of homeowner's insurance and private
12 passenger motor vehicle insurance.

13 BY adding to

14 Article – Insurance

15 Section 27–501(e–2)(8) and (9)

16 Annotated Code of Maryland

17 (2017 Replacement Volume and 2019 Supplement)

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

20 **Article – Insurance**

21 27–501.

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 (e-2) (8) ~~WITH RESPECT TO PRIVATE PASSENGER MOTOR VEHICLE~~
2 ~~INSURANCE, AN INSURER MAY NOT INCREASE THE PREMIUM FOR AN INSURED~~

3 (I) AT THE TIME A POLICY OF PRIVATE PASSENGER MOTOR
4 VEHICLE INSURANCE IS INITIALLY ISSUED, AN INSURER MAY CONSIDER THE
5 APPLICANT’S HOMEOWNER’S INSURANCE CLAIM HISTORY WHEN RATING THE
6 POLICY.

7 (II) AT RENEWAL, AN INSURER MAY NOT INCREASE THE
8 PREMIUM FOR A POLICY OF PRIVATE PASSENGER MOTOR VEHICLE INSURANCE
9 BASED ON A HOMEOWNER’S INSURANCE CLAIM.

10 (9) ~~WITH RESPECT TO HOMEOWNER’S INSURANCE, AN INSURER MAY~~
11 ~~NOT INCREASE THE PREMIUM FOR AN INSURED~~

12 (I) AT THE TIME A POLICY OF HOMEOWNER’S INSURANCE IS
13 INITIALLY ISSUED, AN INSURER MAY CONSIDER THE APPLICANT’S MOTOR VEHICLE
14 CLAIM HISTORY WHEN RATING THE POLICY.

15 (II) AT RENEWAL, AN INSURER MAY NOT INCREASE THE
16 PREMIUM FOR A POLICY OF HOMEOWNER’S INSURANCE BASED ON A PRIVATE
17 PASSENGER MOTOR VEHICLE INSURANCE CLAIM.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
19 1, 2021.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.