
By: **Delegate Krysiak**
Introduced and read first time: February 12, 1999
Assigned to: Economic Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 26, 1999

CHAPTER _____

1 AN ACT concerning

2 **Insurance Coverage - Notice of Consideration of Claims History**

3 FOR the purpose of requiring an insurer that considers the insurance claims history
4 of an applicant or insured for certain purposes for certain kinds of insurance
5 coverage to notify the applicant or insured of this practice in a certain manner;
6 providing for a delayed effective date; and generally relating to notification of
7 certain insurance practices by property and casualty insurers.

8 BY adding to
9 Article - Insurance
10 Section 27-501.1
11 Annotated Code of Maryland
12 (1997 Volume and 1998 Supplement)

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

15 **Article - Insurance**

16 27-501.1.

17 (A) THIS SECTION APPLIES TO PERSONAL LINES PROPERTY AND CASUALTY
18 INSURANCE POLICIES ISSUED OR DELIVERED IN THE STATE.

19 ~~(A)~~ (B) (1) NOTWITHSTANDING ANY OTHER REQUIREMENT OF § 27-501 OF
20 THIS SUBTITLE OR ANY OTHER PROVISION OF THIS ARTICLE, IF AN INSURER
21 CONSIDERS, FOR THE PURPOSES OF UNDERWRITING A PERSONAL LINES PROPERTY
22 AND CASUALTY RISK OR CANCELING OR REFUSING TO RENEW PERSONAL LINES

1 PROPERTY AND CASUALTY COVERAGE, THE INSURANCE CLAIMS HISTORY OF AN
2 APPLICANT OR INSURED FOR ANY PERIOD OF TIME PRECEDING THE EFFECTIVE
3 DATE OF THE POLICY OR RENEWAL, THE INSURER SHALL NOTIFY THE APPLICANT OR
4 INSURED OF THIS PRACTICE ON THE DECLARATIONS PAGE OF THE POLICY.

5 (2) THE INSURER SHALL STATE IN THE NOTIFICATION REQUIRED BY
6 THIS SUBSECTION:

7 (I) THE APPLICABLE PERIOD OF CLAIMS HISTORY THAT THE
8 INSURER CONSIDERS FOR THE PARTICULAR COVERAGE INVOLVED; AND

9 (II) WHAT IN GENERAL DESCRIPTIVE TERMS, THE MAJOR FACTORS
10 THE INSURER CONSIDERS DURING THAT PERIOD OF CLAIMS HISTORY.

11 ~~(B) THIS SECTION APPLIES TO ALL KINDS OF INSURANCE COVERAGE~~
12 ~~PROVIDED IN THE STATE.~~

13 (C) THE NOTIFICATION REQUIRED UNDER (B)(2) OF THIS SECTION IS SUBJECT
14 TO THE APPROVAL OF THE COMMISSIONER.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 ~~October 1, 1999~~ January 1, 2000.