

# HOUSE BILL 1203

C4

(3lr2087)

## ENROLLED BILL

— Economic Matters/Finance —

Introduced by **Delegates Kramer and Simmons**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Homeowner's or Renter's Insurance - Underwriting and Policy Exclusions -~~  
3 Policy Exclusions for Specific Breed or Size of Dog Breeds or Mixed Breeds of  
4 Dogs - Notices

5 FOR the purpose of ~~prohibiting an insurer, with respect to homeowner's or renter's~~  
6 ~~insurance, from refusing to underwrite a risk based solely on the specific breed~~  
7 ~~or size of a dog owned by an applicant or insured; prohibiting an insurer from~~  
8 ~~excluding coverage under a policy of homeowner's or renter's insurance for a~~  
9 ~~specific breed or size of a dog owned by an applicant or insured requiring certain~~  
10 ~~insurers that use breed-specific dog exclusions or underwriting guidelines with~~  
11 ~~respect to exclude coverage for losses caused by specific breeds or specific mixed~~  
12 ~~breeds of dogs under homeowner's or renter's insurance policies to provide a~~  
13 ~~certain notices notice to the an applicant or insured under certain circumstances~~  
14 at certain times; providing for the application of this Act; and generally relating

---

#### 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.

*Italics* indicate opposite chamber/conference committee amendments.



1 to ~~underwriting and~~ policy exclusions for dogs under policies of homeowner's or  
2 renter's insurance.

3 BY repealing and reenacting, ~~with~~ without amendments,

4 Article – Insurance

5 Section 19–205

6 Annotated Code of Maryland

7 (2011 Replacement Volume and 2012 Supplement)

8 BY adding to

9 Article – Insurance

10 Section ~~27–501(r)~~ 19–206.1

11 Annotated Code of Maryland

12 (2011 Replacement Volume and 2012 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.~~

17 ~~(R) WITH RESPECT TO HOMEOWNER'S INSURANCE OR RENTER'S~~  
18 ~~INSURANCE, AN INSURER MAY NOT:~~

19 ~~(1) REFUSE TO UNDERWRITE A RISK BASED SOLELY ON THE~~  
20 ~~SPECIFIC BREED OR SIZE OF A DOG OWNED BY AN APPLICANT OR INSURED; OR~~

21 ~~(2) EXCLUDE COVERAGE UNDER A POLICY OF HOMEOWNER'S~~  
22 ~~INSURANCE OR RENTER'S INSURANCE FOR A SPECIFIC BREED OR SIZE OF A DOG~~  
23 ~~OWNED BY AN APPLICANT OR INSURED.~~

24 19–205.

25 (a) (1) An insurer shall provide a policyholder with an annual statement  
26 that summarizes the coverages and exclusions under the policy issued by the insurer.

27 (2) The insurer's statement shall be clear and specific.

28 (3) The insurer's statement shall state whether the coverages under  
29 the policy provide for replacement cost, actual cash value, or other method of loss  
30 payment for covered structures and contents.

31 (4) The insurer's statement shall include a disclosure that states:

1 (i) the policyholder should read the policy for complete  
 2 information on coverages and exclusions;

3 (ii) the policyholder should refer to the declarations page for a  
 4 listing of coverages purchased;

5 (iii) the policyholder should communicate with the insurance  
 6 producer or the insurer for any additional information regarding the scope of  
 7 coverages in the policy;

8 (iv) the statement does not include additional optional coverage  
 9 purchased by the policyholder, if any;

10 (v) the statement is not part of the policy or contract of  
 11 insurance and does not create a private right of action;

12 (vi) all rights, duties, and obligations are controlled by the policy  
 13 and contract of insurance; ~~and~~

14 (vii) the standard homeowner's insurance policy does not cover  
 15 losses from flood; ~~AND~~

16 ~~(VIII) THE POLICY DOES NOT COVER LOSSES CAUSED BY DOG~~  
 17 ~~BREEDS THAT ARE SPECIFICALLY EXCLUDED UNDER THE POLICY.~~

18 (b) The statement under subsection (a) of this section:

19 (1) is not part of the policy or contract of insurance; and

20 (2) does not create a private right of action.

21 (c) The Commissioner may adopt regulations to implement the provisions of  
 22 this section.

23 **19-206.1.**

24 ~~(A) (1) AN INSURER THAT SELLS OR NEGOTIATES HOMEOWNER'S~~  
 25 ~~INSURANCE IN THE STATE SHALL PROVIDE AN APPLICANT, AT THE TIME A~~  
 26 ~~POLICY OF HOMEOWNER'S INSURANCE IS INITIALLY PURCHASED, WITH A~~  
 27 ~~WRITTEN NOTICE THAT STATES WHETHER THE INSURER UNDERWRITES~~  
 28 ~~HOMEOWNER'S INSURANCE ON A BREED SPECIFIC BASIS OR WHETHER THE~~  
 29 ~~INSURANCE POLICY HAS A BREED SPECIFIC EXCLUSION.~~

30 ~~(2) IF AN APPLICATION IS MADE BY TELEPHONE, THE INSURER IS~~  
 31 ~~DEEMED TO BE IN COMPLIANCE WITH THIS SECTION IF, WITHIN 7 CALENDAR~~

~~1 DAYS AFTER THE DATE OF APPLICATION, THE INSURER SENDS BY CERTIFICATE  
2 OF MAILING THE NOTICE TO THE APPLICANT OR INSURED.~~

~~3 (3) IF AN APPLICATION IS MADE USING THE INTERNET, THE  
4 INSURER IS DEEMED TO BE IN COMPLIANCE WITH THIS SECTION IF THE  
5 INSURER PROVIDES THE NOTICE TO THE APPLICANT BEFORE THE SUBMISSION  
6 OF THE APPLICATION.~~

~~7 (B) THE NOTICE SHALL STATE THE BREEDS THAT THE INSURER DOES  
8 NOT UNDERWRITE OR THAT THE INSURER EXCLUDES FROM COVERAGE.~~

~~9 (C) A NOTICE PROVIDED UNDER THIS SECTION DOES NOT CREATE A  
10 PRIVATE RIGHT OF ACTION.~~

*11 (A) THIS SECTION APPLIES TO AN INSURER THAT OFFERS A  
12 HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE POLICY IN THE STATE  
13 THAT DOES NOT PROVIDE COVERAGE FOR LOSSES CAUSED BY SPECIFIC BREEDS  
14 OR SPECIFIC MIXED BREEDS OF DOGS.*

*15 (B) AT THE TIME OF APPLICATION FOR OR ISSUANCE OF A POLICY OF  
16 HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE, AND AT EACH RENEWAL  
17 OF A POLICY OF HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE, AN  
18 INSURER SUBJECT TO THIS SECTION SHALL PROVIDE TO AN APPLICANT OR AN  
19 INSURED A WRITTEN NOTICE THAT:*

*20 (1) STATES THAT THE POLICY DOES NOT PROVIDE COVERAGE FOR  
21 LOSSES CAUSED BY SPECIFIC BREEDS OR SPECIFIC MIXED BREEDS OF DOGS;  
22 AND*

*23 (2) IDENTIFIES THE SPECIFIC BREEDS OR SPECIFIC MIXED  
24 BREEDS OF DOGS FOR WHICH THE POLICY DOES NOT PROVIDE COVERAGE.*

*25 (C) AN INSURER SUBJECT TO THIS SECTION MAY PROVIDE THE NOTICE  
26 REQUIRED UNDER SUBSECTION (B) OF THIS SECTION IN THE ANNUAL  
27 STATEMENT REQUIRED UNDER § 19-205 OF THIS SUBTITLE.*

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
29 policies of homeowner's insurance or renter's insurance issued, delivered, or renewed  
30 in the State on or after ~~October 1, 2013~~ *January 1, 2014*.

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