

SENATE BILL 446

C4
HB 1105/12 – ECM

3lr2601
CF HB 342

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

Introduced and read first time: January 30, 2013

Assigned to: Finance

A BILL ENTITLED

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

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

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

22 **Article – Insurance**

23 27–501.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(R) (1) WITH RESPECT TO HOMEOWNER'S INSURANCE OR RENTER'S**
2 **INSURANCE, AN INSURER MAY NOT DENY, REFUSE TO RENEW, OR CANCEL**
3 **COVERAGE FOR AN APPLICANT OR A POLICYHOLDER SOLELY BECAUSE THE**
4 **APPLICANT OR POLICYHOLDER DOES NOT CARRY PRIVATE PASSENGER MOTOR**
5 **VEHICLE INSURANCE WITH THE INSURER.**

6 **(2) WITH RESPECT TO PRIVATE PASSENGER MOTOR VEHICLE**
7 **INSURANCE, AN INSURER MAY NOT DENY, REFUSE TO RENEW, OR CANCEL**
8 **COVERAGE FOR AN APPLICANT OR A POLICYHOLDER SOLELY BECAUSE THE**
9 **APPLICANT OR POLICYHOLDER DOES NOT CARRY HOMEOWNER'S INSURANCE OR**
10 **RENTER'S INSURANCE WITH THE INSURER.**

11 **(3) THIS SUBSECTION DOES NOT PROHIBIT:**

12 **(I) AN APPLICANT OR A POLICYHOLDER FROM BUNDLING**
13 **HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE AND PRIVATE PASSENGER**
14 **MOTOR VEHICLE INSURANCE POLICIES IF THE APPLICANT OR POLICYHOLDER**
15 **CHOOSES TO DO SO; OR**

16 **(II) AN INSURER FROM OFFERING DISCOUNTS OR OTHER**
17 **INCENTIVES TO APPLICANTS OR POLICYHOLDERS WHO CHOOSE TO BUNDLE**
18 **HOMEOWNER'S INSURANCE OR RENTER'S INSURANCE AND PRIVATE PASSENGER**
19 **MOTOR VEHICLE INSURANCE POLICIES.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
21 policies of homeowner's insurance, renter's insurance, and private passenger motor
22 vehicle insurance issued, delivered, or renewed in the State on or after October 1,
23 2013.

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