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By: Delegate McComas

Introduced and read first time: February 12, 2016

Assigned to: Economic Matters

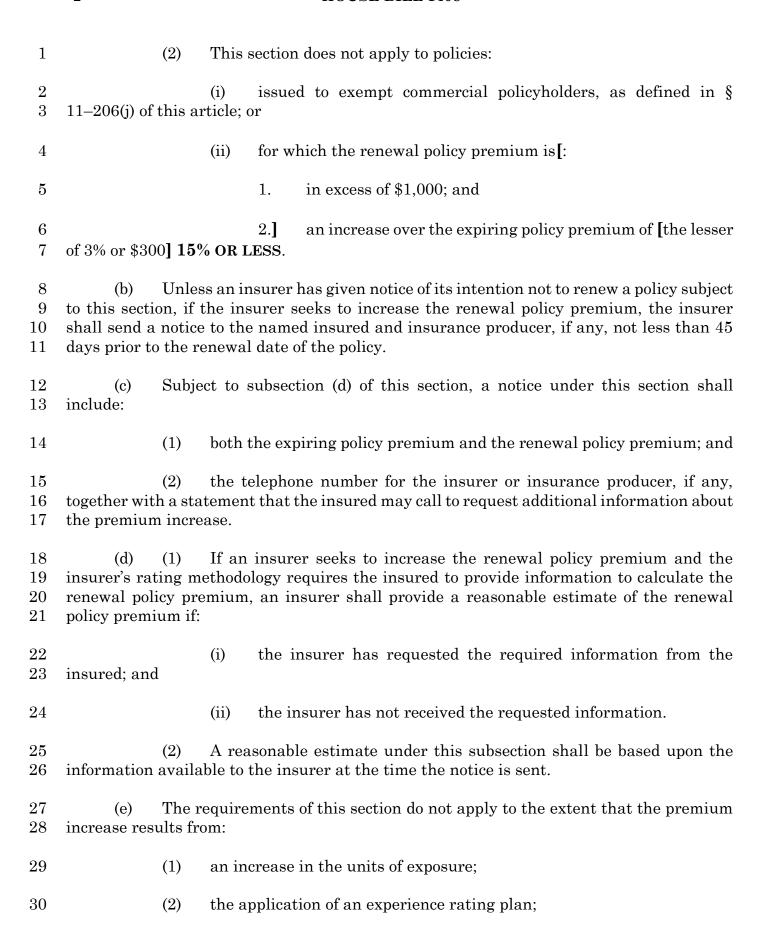
A BILL ENTITLED

1	AN ACT concernin	g	
2 3		nd Casualty Insurance – Commercial Policies and Workers' ation Insurance Policies – Notices of Premium Increases	
4 5 6 7 8 9 10 11	commercial insurance and policies of workers' compensation insurance; providing that the provisions of law do not apply to policies for which the renewal policy premium is an increase of a certain percentage or less over the expiring policy premium; clarifying that an insurer that sends certain documents and notices and a		
13 14 15 16 17	BY repealing and reenacting, with amendments, Article – Insurance Section 27–608 Annotated Code of Maryland (2011 Replacement Volume and 2015 Supplement)		
18 19	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:		
20		Article – Insurance	
21	27–608.		
22	(a) (1)	This section applies to:	
23		(i) policies of commercial insurance; and	
24		(ii) policies of workers' compensation insurance.	

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.





1	(3) the application of a retrospective rating plan;	
2	(4) a change made by the insured that increases the insurer's exposure; or	
3	(5) an audit of the insured.	
4 5	(f) A notice required by this section shall be sent by first-class mail and may be sent together with the renewal policy.	
6 7 8	(g) An insurer [shall be considered to have met the] MAY NOT BE REQUIRED TO COMPLY WITH ANY notice requirement of this section if, not less than 45 days before the effective date of the renewal policy, the insurer has sent:	
9 10	(1) (i) to the named insured, a renewal policy that includes the renewal policy premium; and	
11	(ii) to the independent insurance producer, if any:	
12 13	1. a copy of the renewal policy that includes the renewal policy premium through postal or electronic mail; or	
14 15 16	2. at the same time as the insurer sends the renewal policy to the insured, a notice of the availability of the renewal policy through the insurer's online electronic system;	
17 18 19	(2) to the named insured and insurance producer, if any, a written notice of renewal or continuation of coverage that includes the renewal or continuation premium; or	
20 21	(3) to the named insured and insurance producer, if any, a renewal offer that includes a reasonable estimate of the renewal policy premium.	
22 23 24	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all policies of commercial insurance and all policies of workers' compensation insurance issued, delivered, or renewed in the State on or after October 1, 2016.	
25	SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect	

October 1, 2016.

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