

# HOUSE BILL 473

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By: **Delegates Ali, Gibson, Morales, and Mosby**

Introduced and read first time: January 25, 2018

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Baltimore City – Private Passenger Motor Vehicle Liability Insurance – Notice**  
3 **and Use of Consumer Report**

4 FOR the purpose of requiring an insurer, at the time of application for or issuance of a  
5 certain policy of private passenger motor vehicle liability insurance in Baltimore  
6 City, to provide an applicant or an insured a certain written notice relating to  
7 consumer reporting agencies that track and retain certain information on motor  
8 vehicle insurance losses; requiring an insurer to provide the notice required under a  
9 certain provision of this Act at the time of each policy renewal; providing that a  
10 certain notice may be delivered by electronic means under certain circumstances;  
11 requiring a certain insurer that classifies an applicant or insured for a certain policy  
12 in a classification that results in a higher premium based on certain specific  
13 information in a certain report to refund certain premium and fees in a certain  
14 manner under certain circumstances; providing for the application of this Act;  
15 defining a certain term; and generally relating to private passenger motor vehicle  
16 liability insurance policies issued, sold, or delivered in Baltimore City.

17 BY adding to  
18 Article – Insurance  
19 Section 19–520  
20 Annotated Code of Maryland  
21 (2017 Replacement Volume)

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

24 **Article – Insurance**

25 **19–520.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(A) IN THIS SECTION, “CONSUMER REPORTING AGENCY” HAS THE MEANING**  
2 **STATED IN § 14–1201 OF THE COMMERCIAL LAW ARTICLE.**

3           **(B) (1) THIS SECTION APPLIES ONLY TO A CONSUMER REPORTING**  
4 **AGENCY THAT TRACKS AND RETAINS INFORMATION RELATED TO MOTOR VEHICLE**  
5 **INSURANCE LOSSES FROM INSURANCE CLAIMS FILED WITH MOTOR VEHICLE**  
6 **INSURERS.**

7           **(2) THIS SECTION APPLIES ONLY TO A PRIVATE PASSENGER MOTOR**  
8 **VEHICLE LIABILITY INSURANCE POLICY ISSUED, SOLD, OR DELIVERED IN**  
9 **BALTIMORE CITY.**

10           **(C) (1) AT THE TIME OF APPLICATION FOR OR ISSUANCE OF A POLICY OF**  
11 **PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE, AN INSURER SHALL**  
12 **PROVIDE AN APPLICANT OR AN INSURED A WRITTEN NOTICE THAT:**

13                           **(I) STATES THAT THE APPLICANT OR INSURED MAY REQUEST A**  
14 **COPY OF THE APPLICANT’S OR INSURED’S CONSUMER REPORT FROM ANY**  
15 **CONSUMER REPORTING AGENCY; AND**

16                           **(II) PROVIDES THE NAME AND CONTACT INFORMATION OF ANY**  
17 **CONSUMER AGENCY THAT THE APPLICANT OR INSURED MAY CONTACT TO OBTAIN**  
18 **INFORMATION ABOUT HOW TO REQUEST A COPY OF AND DISPUTE ITEMS IN THE**  
19 **CONSUMER REPORT.**

20           **(2) THE INSURER SHALL PROVIDE THE NOTICE REQUIRED UNDER**  
21 **PARAGRAPH (1) OF THIS SUBSECTION TO THE INSURED AT EACH RENEWAL OF A**  
22 **POLICY OF PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE.**

23           **(3) THE NOTICE REQUIRED UNDER PARAGRAPH (1) OF THIS**  
24 **SUBSECTION MAY BE DELIVERED BY ELECTRONIC MEANS IF THE INSURER**  
25 **COMPLIES WITH THE REQUIREMENTS OF § 27–601.2 OF THIS ARTICLE.**

26           **(D) IF AN INSURER CLASSIFIES AN APPLICANT OR INSURED FOR A POLICY**  
27 **OF PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE IN A**  
28 **CLASSIFICATION THAT RESULTS IN A HIGHER PREMIUM BASED ON SPECIFIC**  
29 **INFORMATION IN THE INSURED’S CONSUMER REPORT, AND IF THE SPECIFIC**  
30 **INFORMATION IS LATER DETERMINED TO BE INACCURATE, THE INSURER SHALL**  
31 **REFUND TO THE INSURED ANY EXCESS PREMIUM AND FEES PAID BY THE INSURED**  
32 **THAT EXCEED THE PREMIUM AND FEES THAT THE INSURED SHOULD HAVE BEEN**  
33 **CHARGED UNDER THE PROPER CLASSIFICATION.**

34           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
35 policies of private passenger motor vehicle liability insurance issued, delivered, or renewed

1 in Baltimore City on or after October 1, 2018.

2 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
3 October 1, 2018.