
By: Delegate Hixson

Introduced and read first time: February 1, 1996

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Insurance - Cancellation of Policy or Premium Increase - Violation of**
3 **Motor Vehicle Laws**

4 FOR the purpose of prohibiting a policy or contract of motor vehicle insurance from
5 being canceled or nonrenewable, or from a premium being increased, solely because
6 the holder of the policy or contract is convicted of a violation of a certain motor
7 vehicle law under certain circumstances; and generally relating to the cancellation
8 or premium increase of a motor vehicle insurance policy for a certain violation of
9 the motor vehicle laws.

10 BY adding to

11 Article 48A - Insurance Code
12 Section 240F-2
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1995 Supplement)

15 BY repealing and reenacting, without amendments,

16 Article - Transportation
17 Section 21-404
18 Annotated Code of Maryland
19 (1992 Replacement Volume and 1995 Supplement)

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

22 **Article 48A - Insurance Code**

23 240F-2.

24 A POLICY OR CONTRACT OF MOTOR VEHICLE INSURANCE MAY NOT BE
25 CANCELED OR BE NONRENEWABLE, AND THE PREMIUM FOR THE POLICY OR
26 CONTRACT MAY NOT BE INCREASED, SOLELY BECAUSE THE HOLDER OF THE
27 POLICY OR CONTRACT:

28 (1) HAS BEEN CONVICTED OF A VIOLATION UNDER § 21-404 OF THE
29 TRANSPORTATION ARTICLE NO MORE THAN ONCE IN A 3-YEAR PERIOD; AND

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1 (2) THE VIOLATION TOOK PLACE WHILE THE HOLDER WAS IN THE
2 PROCESS OF ENTERING OR CROSSING A HIGHWAY FROM THE HOLDER'S PRIVATE
3 ROAD OR DRIVEWAY.

4 **Article - Transportation**

5 21-404.

6 (a) The driver of a vehicle about to enter or cross a highway from a private road
7 or driveway or from any other place that is not a highway shall stop.

8 (b) The driver of a vehicle about to enter or cross a highway from a private road
9 or driveway or from any other place that is not a highway shall yield the right-of-way to
10 any other vehicle approaching on the highway.

11 (c) In this section, "paved highway" means a highway that has a hard, smooth
12 surface of gravel, shells, crushed stone, paving blocks, asphalt, concrete, or other similar
13 substance.

14 (d) The driver of a vehicle about to enter or cross a paved highway from an
15 unpaved highway shall stop.

16 (e) The driver of a vehicle about to enter or cross a paved highway from an
17 unpaved highway shall yield the right-of-way to any other vehicle approaching on the
18 paved highway.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 1996.