BY: Judicial Proceedings Committee

AMENDMENTS TO SENATE BILL NO. 17 (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, strike "paint hazards;" and substitute "<u>hazard coverage for certain rental</u> property; defining a certain term;"; in line 5, after "Act;" insert "<u>providing for the effective dates of</u> <u>this Act;</u>"; after line 5, insert:

"BY repealing and reenacting, with amendments,

Article 48A - Insurance Code Section 734 Annotated Code of Maryland (1994 Replacement Volume and 1996 Supplement)";

and after line 11 insert:

"BY adding to

Article - Insurance Section 19-701(d) Annotated Code of Maryland (1996 Volume) (As enacted by Chapter 11 of the Acts of the General Assembly of 1996)".

AMENDMENT NO. 2

On page 1, after line 24, insert:

"Article 48A - Insurance Code

<u>734.</u>

(a) In this subtitle the following words have the meanings indicated.(b) "Administration" means the Maryland Insurance Administration.

(c)(1) "Affected property" means [a property that contains at least one rental dwelling unit.]:

(I) 1. A RESIDENTIAL RENTAL PROPERTY CONSTRUCTED BEFORE 1950 THAT CONTAINS NOT MORE THAN ONE RENTAL DWELLING UNIT; OR

2. A RESIDENTIAL RENTAL PROPERTY THAT CONTAINS NOT MORE THAN ONE RENTAL DWELLING UNIT FOR WHICH THE OWNER MAKES AN ELECTION UNDER § 6-803(A)(2) OF THE ENVIRONMENT ARTICLE; OR

(II) AN INDIVIDUAL RENTAL DWELLING UNIT WITHIN:

<u>1. A RESIDENTIAL RENTAL PROPERTY CONSTRUCTED</u> BEFORE 1950 THAT CONTAINS MORE THAN ONE RENTAL DWELLING UNIT; OR

2. A RESIDENTIAL RENTAL PROPERTY THAT CONTAINS MORE THAN ONE RENTAL DWELLING UNIT FOR WHICH THE OWNER MAKES AN ELECTION UNDER § 6-803(A)(2) OF THE ENVIRONMENT ARTICLE.

(2) "AFFECTED PROPERTY" DOES NOT INCLUDE PROPERTY EXEMPTED UNDER § 6-803(B) OF THE ENVIRONMENT ARTICLE.

(d) "Authorized insurer" means an insurer that:

(1) Holds a certificate of authority in the State;

(2) Issues or issues for delivery in the State third party bodily injury liability insurance

under:

(i) Homeowners' coverage;

(ii) Owners', landlords', and tenants' coverage; or

(iii) Other premises liability coverage; and

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(3) Is subject to regulation by the Maryland Insurance Administration.

(e) (1) "Department" means the Department of the Environment.

(2) "Department" includes a designee of the Secretary of the Environment.

(f) "Owner" has the meaning stated in § 6-801(o) of the Environment Article.

(G) "RENTAL DWELLING UNIT" HAS THE MEANING STATED IN § 6-801(T) OF THE ENVIRONMENT ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:".

AMENDMENT NO. 3

On page 1, after line 28 insert:

"(I) 1. A RESIDENTIAL RENTAL PROPERTY CONSTRUCTED BEFORE 1950 THAT CONTAINS NOT MORE THAN ONE RENTAL DWELLING UNIT; OR

2. A RESIDENTIAL RENTAL PROPERTY THAT CONTAINS NOT MORE THAN ONE RENTAL DWELLING UNIT FOR WHICH THE OWNER MAKES AN ELECTION UNDER § 6-803(A)(2) OF THE ENVIRONMENT ARTICLE; OR

(II) AN INDIVIDUAL RENTAL DWELLING UNIT WITHIN:".

On page 2, in line 1, strike "(I)" and substitute "<u>1</u>."; in the same line, after "A" insert "<u>RESIDENTIAL RENTAL</u>"; in lines 1 and 2, strike "AT LEAST" and substitute "<u>MORE THAN</u>"; in line 3, strike "(II)" and substitute "<u>2</u>."; in the same line, after "PROPERTY" insert "<u>THAT</u> <u>CONTAINS MORE THAN ONE RENTAL DWELLING UNIT</u>"; strike in their entirety lines 5 and 6; in line 7, strike "(3)" and substitute "(2)"; and after line 8 insert:

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"(D) "RENTAL DWELLING UNIT" HAS THE MEANING STATED IN § 6-801(T) OF THE ENVIRONMENT ARTICLE.".

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AMENDMENT NO. 4

On page 2, after line 25, insert:

"SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:".

On page 3, in line 27, strike "2." and substitute "<u>4.</u>"; in lines 27 and 28, strike "be construed to effect" and substitute "<u>apply to</u>"; and in line 29, strike "the effective date of this Act" and substitute "<u>June 1, 1997.</u>".

AMENDMENT NO. 5

On page 3, after line 29, insert:

"SECTION 5. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect June 1, 1997, and remain in effect until October 1, 1997.

SECTION 6. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect June 1, 1997.";

in line 30, strike "3." and substitute "7."; and in the same line, after "That" insert "Section 2 of".