1997 Regular Session

BY: Judicial Proceedings Committee

AMENDMENTS TO SENATE BILL NO. 669

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 10, strike "affect" and substitute "<u>effect</u>"; in line 11, after "dates;" insert "<u>altering the application of certain provisions of law to certain insurance policies; altering the date on or after which a certain exclusion in certain insurance policies is required to be waived;"; in the same line, after "change;" insert "<u>providing for the effective dates of this Act;</u>"; in line 16, after "6-817(a)(1) and (2)(i) and (b)(1)" insert "<u>and (2)(i)</u>"; in line 17, after "6-820(a)" insert "<u>and (b)</u>"; in line 28, after "7" insert "and 8"; and after line 28, insert:</u>

"BY repealing and reenacting, with amendments,

Article 48A - Insurance Code

Section 735(b)

Annotated Code of Maryland

(1994 Replacement Volume and 1996 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 19-704(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 3, after line 20, insert:

"(2) (i) Notwithstanding any other remedy that may be available, an owner who fails to meet the requirements of subsections (b)(1) and (c) of this section, or of § 6-819(e) of this subtitle shall lose the liability protection under § 6-836 of this subtitle for any alleged injury or loss caused

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by the ingestion of lead by a person at risk that is first documented by a test for EBL of 20 ug/dl or more on or after [October 1, 2004] FEBRUARY 24, 2006 in any of the owner's units that have not satisfied the risk reduction standard specified in § 6-815(a) of this subtitle, the inspection requirement of subsection (c) of this section, or the modified risk reduction standard specified in § 6-819(a) of this subtitle, as applicable.".

AMENDMENT NO. 3

On page 3, in line 32, strike "APRIL" and substitute "MAY".

AMENDMENT NO. 4

On page 4, after line 26, insert:

"(b) [An] ON OR AFTER FEBRUARY 24, 1996, AN owner of an affected property shall give to the tenant of the affected property a notice, prepared by the Department, of the tenant's rights under §§ 6-817 and 6-819 of this subtitle upon the execution of a lease or the inception of a tenancy.".

On page 5, in line 12, after "If" insert ", ON OR AFTER FEBRUARY 24, 1996,".

AMENDMENT NO. 5

On page 6, in line 12, strike "the effective date of this Act" and substitute "FEBRUARY 24, 1996".

AMENDMENT NO. 6

On page 6, after line 28, insert:

"SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding other provisions of this Act, this Act shall apply [beginning on January 1, 1995] to insurance policies issued or renewed [between October 1, 1994 and December 31, 1994] ON OR AFTER FEBRUARY 24, 1996.".

AMENDMENT NO. 7

On page 6, before line 29, insert:

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

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follows:

Article 48A - Insurance Code

735.

- (b) A lead hazard exclusion contained in a contract of insurance issued or renewed on or after [January 1, 1995] FEBRUARY 24, 1996 shall be waived with respect to an affected property which is covered under the policy, to the extent of a qualified offer made or to be made under Part V of Title 6, Subtitle 8 of the Environment Article, if:
- (1) The affected property is in compliance with the provisions of Part III of Title 6, Subtitle 8 of the Environment Article;
- (2) Without regard to whether a change in occupancy has occurred, and at the election of the insured, the affected property:
- (i) Passes the test for lead-contaminated dust under § 6-816 of the Environment Article; or
- (ii) Has undergone the lead hazard reduction treatments and complies with the risk reduction standards under § 6-815(a)(2) of the Environment Article; and
- (3) The insured submits to the authorized insurer a current verified report of an accredited inspector under § 6-818 of the Environment Article certifying that the affected property complies with the standards set forth in paragraph (2) of this subsection.
- SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

<u>Article - Insurance</u>

<u>19-704.</u>

- (d) If a policy issued or renewed by an authorized insurer on or after [January 1, 1995] FEBRUARY 24, 1996, for an affected property contains a lead hazard coverage exclusion, the authorized insurer shall waive the exclusion to the extent of a qualified offer made or to be made under Title 6, Subtitle 8, Part V of the Environment Article:
- (1) if the owner of the affected property complies with Title 6, Subtitle 8, Part III of the Environment Article;
- (2) if at the election of the insured, and whether or not a change in occupancy has occurred, the affected property:
- (i) passes the test for lead-contaminated dust under § 6-816 of the Environment Article; or
- (ii) has undergone the lead hazard reduction treatments and complies with the risk reduction standard under § 6-815(a)(2) of the Environment Article; and
- (3) if the insured submits to the authorized insurer a current verified report completed by an accredited inspector under § 6-818 of the Environment Article certifying that the affected property complies with the standards set forth in item (2) of this subsection.";

in line 29, strike "2." and substitute "4."; in the same line, after "That" insert "Section 1 of"; and after line 30, insert:

"SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect June 1, 1997, and shall remain in effect until October 1, 1997.

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