
By: **Delegate Krysiak**

Introduced and read first time: February 12, 1999

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance Coverage - Notice of Consideration of Claims History**

3 FOR the purpose of requiring an insurer that considers the insurance claims history
4 of an applicant or insured for certain purposes for certain kinds of insurance
5 coverage to notify the applicant or insured of this practice in a certain manner.

6 BY adding to

7 Article - Insurance

8 Section 27-501.1

9 Annotated Code of Maryland

10 (1997 Volume and 1998 Supplement)

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

13 **Article - Insurance**

14 27-501.1.

15 (A) (1) NOTWITHSTANDING ANY OTHER REQUIREMENT OF § 27-501 OF THIS
16 SUBTITLE OR ANY OTHER PROVISION OF THIS ARTICLE, IF AN INSURER CONSIDERS,
17 FOR THE PURPOSES OF UNDERWRITING A RISK OR CANCELING OR REFUSING TO
18 RENEW COVERAGE, THE INSURANCE CLAIMS HISTORY OF AN APPLICANT OR
19 INSURED FOR ANY PERIOD OF TIME PRECEDING THE EFFECTIVE DATE OF THE
20 POLICY OR RENEWAL, THE INSURER SHALL NOTIFY THE APPLICANT OR INSURED OF
21 THIS PRACTICE ON THE DECLARATIONS PAGE OF THE POLICY.

22 (2) THE INSURER SHALL STATE IN THE NOTIFICATION REQUIRED BY
23 THIS SUBSECTION:

24 (I) THE APPLICABLE PERIOD OF CLAIMS HISTORY THAT THE
25 INSURER CONSIDERS FOR THE PARTICULAR COVERAGE INVOLVED; AND

26 (II) WHAT FACTORS THE INSURER CONSIDERS DURING THAT
27 PERIOD OF CLAIMS HISTORY.

1 (B) THIS SECTION APPLIES TO ALL KINDS OF INSURANCE COVERAGE
2 PROVIDED IN THE STATE.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 1999.