

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE
Revised

House Bill 755 (Delegate Krsviak)

Economic Matters

Insurance Coverage - Notice of Consideration of Claims History

This bill requires an insurer to provide notice if the insurer considers claim history for the purpose of underwriting a risk or canceling or refusing to renew coverage for personal line property and casualty insurance issued or delivered in the State. The insurer must include on the declarations page of the policy the period of claims history considered and in general descriptive terms, the major factors considered during that period. The notification is subject to approval of the Insurance Commissioner.

This bill is effective January 1, 2000.

Fiscal Summary

State Effect: Indeterminate increase in special fund revenues. No effect on expenditures as any increase in workload could be handled with existing resources.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

State Revenues: Special fund revenues could increase by an indeterminate amount since insurance companies would be subject to \$125 rate and form filing fees by the Maryland Insurance Administration. The number of insurers that would be required to change their declaration page and file new forms with the administration cannot be reliably estimated at this time, since form filings often combine several policy amendments at one time.

Information Source(s): Maryland Insurance Administration, Department of Legislative Services

Fiscal Note History:

First Reader - March 3, 1999

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Revised - House Third Reader - March 30, 1999

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