
By: **Delegates Love, Kach, Barve, and Mitchell**
Introduced and read first time: February 11, 2000
Assigned to: Economic Matters

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 22, 2000

CHAPTER _____

1 AN ACT concerning

2 ~~Property and Casualty~~ **Automobile Insurance - Proof of Insurance**

3 FOR the purpose of requiring an authorized insurer to provide certain proof of
4 insurance upon renewal of an automobile insurance policy and on request of an
5 insured or person with an insurable interest in property; providing for the
6 application of this Act; authorizing an insurer to require certain authorization
7 before providing certain proof of insurance; providing that this Act may not be
8 construed to limit the right of a certain person to obtain proof of insurance; and
9 generally relating to proof of insurance under property and casualty insurance.

10 BY repealing and reenacting, with amendments,
11 Article - Insurance
12 Section 12-301
13 Annotated Code of Maryland
14 (1997 Volume and 1999 Supplement)

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

17 **Article - Insurance**

18 12-301.

19 (a) In this section, "insurable interest" means an actual, lawful, and
20 substantial economic interest in the safety or preservation of the subject of the
21 insurance against loss, destruction, or pecuniary damage or impairment to the
22 property.

1 (b) A contract of property insurance or a contract of insurance of an interest in
 2 or arising from property is enforceable only for the benefit of a person with an
 3 insurable interest in the property at the time of the loss.

4 (c) An insurable interest in property is measured by the extent of possible
 5 harm to the insured from loss, injury, or impairment of the property.

6 (D) (1) THIS SUBSECTION APPLIES ONLY TO AN AUTOMOBILE INSURANCE
 7 POLICY THAT IS PROCURED BY AN INDEPENDENT AGENT, ON REQUEST OF AN
 8 INSURED OR A PERSON WITH

9 (2) UPON RENEWAL OF AN EXISTING AUTOMOBILE INSURANCE POLICY,
 10 IF THE INSURED OR A PERSON HOLDING AN INSURABLE INTEREST IN PROPERTY
 11 UNDER THIS SECTION THE SUBJECT OF THE POLICY REQUESTS PROOF OF
 12 INSURANCE, AN AUTHORIZED INSURER SHALL PROVIDE:

13 (I) A COPY OF THE AUTOMOBILE INSURANCE POLICY
 14 DECLARATIONS; OR

15 (II) WRITTEN PROOF OF THE AUTOMOBILE INSURANCE THAT
 16 CONSISTS OF:

17 (1) 1. THE NAME AND ADDRESS OF THE INSURED AND INSURER;

18 (2) 2. A DESCRIPTION OF THE VEHICLE, INCLUDING THE VEHICLE
 19 IDENTIFICATION NUMBER, THAT IS THE SUBJECT OF THE INSURANCE POLICY;

20 (3) 3. A DESCRIPTION AND THE AMOUNT, IF APPLICABLE, OF THE
 21 INSURANCE COVERAGE INCLUDING APPLICABLE DEDUCTIBLES;

22 (4) 4. THE INCEPTION AND EXPIRATION DATES OF COVERAGE; AND

23 (5) 5. THE NAME AND ADDRESS OF THE PERSON WITH AN INSURABLE
 24 INTEREST; AND

25 6. THE PREMIUM FOR THE APPLICABLE COVERAGE.

26 (E) AN INSURER MAY REQUIRE WRITTEN AUTHORIZATION FROM THE
 27 INSURED BEFORE PROVIDING PROOF OF INSURANCE UNDER THIS SECTION TO A
 28 PERSON OTHER THAN A FINANCIAL INSTITUTION.

29 SECTION 2. AND BE IT FURTHER ENACTED, That, except as provided in
 30 this Act, this Act may not be construed to affect the rights of a person with an
 31 insurable interest to receive proof of insurance.

32 SECTION 2- 3. AND BE IT FURTHER ENACTED, That this Act shall take
 33 effect October 1, 2000.

