

BY: Finance Committee

AMENDMENTS TO SENATE JOINT RESOLUTION NO. 6

(First Reading File Joint Resolution)

AMENDMENT NO. 1

On page 1, in line 4, after “Program” insert “, encourage the Program to work closely with the Maryland Insurance Administration to improve the process and ensure fair consideration of claims.”; and in line 5, after “improve” insert “coordination and”.

AMENDMENT NO. 2

On page 1, in lines 20 and 21, strike “through insurance producers that sell general” and substitute “from licensed private insurance companies that sell”; in line 21, after “insurance” insert “under the Write Your Own (WYO) Program.”; and in line 27, strike “including the payment of actual”.

On page 2, strike lines 1 and 2 in their entirety and substitute “such as the payment of actual cash value rather than replacement cost for most personal property, the exclusion from coverage for certain personal property, and the exclusion from coverage for certain structures such as piers, decks, and bulkheads; and”; in line 4, strike “did not purchase contents coverage” and substitute “believed that they had coverage for the personal property in their dwelling but learned after their dwelling was damaged that they did not have coverage for their contents”; in line 6, strike “homeowners” and substitute “WYO”; in line 7, after “Program” insert “to settle their damage claims”; in line 8, strike “were confronted by” and substitute “had to deal with”; in line 9, strike “homeowners” and substitute “WYO”; in the same line, strike the comma and substitute “and”; in line 10, strike “and others.”; in line 12, after “adjusters” insert “, insurance company representatives, and insurance producers”; strike beginning with “loss” in line 13 down through “region” in line 14 and substitute “conflicting and incorrect information about their policies and coverage under their policies”; after line 14, insert:

“WHEREAS, There appeared to be a pattern among some consumers who received offers of settlements from WYO insurance companies to repair or replace damaged dwellings that were inadequate to cover the full cost of repairing or replacing the dwellings because of inadequate

(Over)

reimbursement for the cost of materials and labor; and

WHEREAS, Consumers affected by Isabel generally believed that the level of coordination between and among federal agencies involved in the Isabel aftermath was not good; and

WHEREAS, In some cases the process used by WYO insurance companies appeared to be coercive to some consumers because they felt compelled to settle certain parts of their insurance claims in order to receive payment for other parts of their claims; and”;

and in line 27, strike “over 5” and substitute “many”.

AMENDMENT NO. 3

On page 2, in line 31, after “Program” insert “, encourage the Program to work closely with the Maryland Insurance Administration to improve the process and ensure fair consideration of claims,”; in the same line, after “improve” insert “coordination and”; strike beginning with “mediate” in line 33 down through the second “insurance” in line 36 and substitute “investigate claims under State law, requiring that WYO insurance companies better educate their producers and insureds regarding coverage under the flood policy”; in line 36, after “covering” insert “real and personal”; and in the same line, strike “replace” and substitute “replacement”.