

SENATE BILL 534

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C4

2004 Regular Session  
4r2508  
CF 4r2344

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By: **Senator Astle**

Introduced and read first time: February 6, 2004

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Insurance - Termination of Agency Agreement - Cancellation of Policies**

3 FOR the purpose of authorizing certain insurers to cancel certain insurance policies of  
4 certain insurance producers under certain circumstances; and generally relating  
5 to insurance and the cancellation of insurance policies.

6 BY repealing and reenacting, with amendments,  
7 Article - Insurance  
8 Section 27-503  
9 Annotated Code of Maryland  
10 (2002 Replacement Volume and 2003 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 27-503.

15 (a) An insurer may not cancel a written agreement with an insurance  
16 producer about insurance or refuse to accept insurance business from the insurance  
17 producer unless the insurer complies with this section.

18 (b) (1) This subsection does not apply to:

19 (i) policies of life insurance, health insurance, surety insurance,  
20 wet marine and transportation insurance, and title insurance; or

21 (ii) insurance producers or policies of a company or group of  
22 companies represented by insurance producers who by contractual agreement  
23 represent only that company or group of companies if:

24 1. the business is owned by the company or group of  
25 companies; and



1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 2004.