
By: **Delegates F. Turner, Barkley, Boschert, Bronrott, Cane, Carter, V. Clagett, Conroy, DeBoy, Fulton, Haynes, Howard, Hubbard, James, Madaleno, Marriott, Murray, Parker, Pendergrass, Stern, and Vaughn**

Introduced and read first time: January 18, 2005

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Homeowner's Insurance - Coverage for Mold and Mold Remediation**

3 FOR the purpose of requiring insurers that issue or deliver homeowner's insurance
4 policies or contracts in the State to provide coverage for losses that result from
5 mold or mold remediation under certain circumstances; providing that the
6 aggregate coverage limit for mold and mold remediation may not be less than a
7 certain amount for certain losses; prohibiting an insurer from charging an
8 additional deductible for certain claims; providing for the application of this Act;
9 and generally relating to homeowner's insurance.

10 BY adding to

11 Article - Insurance

12 Section 19-204

13 Annotated Code of Maryland

14 (2002 Replacement Volume and 2004 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 19-204.

19 (A) AN INSURER THAT ISSUES OR DELIVERS A POLICY OR CONTRACT OF
20 HOMEOWNER'S INSURANCE IN THE STATE SHALL PROVIDE COVERAGE FOR A LOSS
21 THAT RESULTS FROM MOLD OR MOLD REMEDIATION, IF THE MOLD IS PROXIMATELY
22 CAUSED BY A PERIL THAT IS OTHERWISE COVERED UNDER THE POLICY OR
23 CONTRACT.

24 (B) THE AGGREGATE COVERAGE LIMIT FOR MOLD AND MOLD REMEDIATION
25 MAY NOT BE LESS THAN \$15,000 FOR:

1 (1) A LOSS RELATING TO COVERED PROPERTY OR COVERED CONTENTS;

2 AND

3 (2) COVERED LOSSES OF THIRD PARTIES.

4 (C) AN INSURER MAY NOT CHARGE AN ADDITIONAL DEDUCTIBLE FOR A MOLD
5 OR MOLD REMEDIATION CLAIM.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
7 personal lines homeowner's insurance policies and contracts issued, delivered, or
8 renewed in the State on or after October 1, 2005.

9 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 October 1, 2005.