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By: **Delegate Holmes**

Introduced and read first time: January 28, 2005

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2                           **Homeowner's Insurance - Underwriting, Cancellation, and Refusal to**  
3                           **Renew**

4 FOR the purpose of prohibiting an insurer, with respect to homeowner's insurance,  
5 from refusing to underwrite a risk or canceling or refusing to renew coverage  
6 based in whole or in part on claims filed by a previous owner of the property to  
7 be insured or that is insured unless the refusal to underwrite, cancellation, or  
8 refusal to renew is based on a physical inspection of the property or on certain  
9 inquiries by a policyholder or an insured; and generally relating to homeowner's  
10 insurance coverage.

11 BY adding to  
12 Article - Insurance  
13 Section 27-501(o)  
14 Annotated Code of Maryland  
15 (2002 Replacement Volume and 2004 Supplement)

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

18                           **Article - Insurance**

19 27-501.

20 (O) WITH RESPECT TO HOMEOWNER'S INSURANCE, AN INSURER MAY NOT  
21 REFUSE TO UNDERWRITE A RISK OR CANCEL OR REFUSE TO RENEW COVERAGE  
22 BASED IN WHOLE OR IN PART ON:

23 (1) HOMEOWNER'S INSURANCE CLAIMS MADE BY A PREVIOUS OWNER  
24 OF THE PROPERTY TO BE INSURED OR THAT IS INSURED BY THE INSURER UNLESS  
25 THE REFUSAL TO UNDERWRITE, CANCELLATION, OR REFUSAL TO RENEW IS BASED  
26 ON A PHYSICAL INSPECTION OF THE PROPERTY; OR

27 (2) AN INQUIRY BY A POLICYHOLDER OR AN INSURED THAT DOES NOT  
28 RESULT IN THE PAYMENT OF A CLAIM.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 2005.