

(PRE-FILED)

By: **Senator Stone (By Request)**
Requested: September 23, 2004
Introduced and read first time: January 12, 2005
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Liability Insurance - Notice of Intention to Cancel for**
3 **Nonpayment of Premium - Method of Mailing**

4 FOR the purpose of altering the method by which an insurer is required to mail to an
5 insured under a policy of motor vehicle liability insurance notice of intention to
6 cancel the policy for nonpayment of premium; providing that an attempt to
7 deliver is deemed sufficient notice under certain circumstances; and generally
8 relating to notice of intention to cancel a policy of motor vehicle liability
9 insurance for nonpayment of premium.

10 BY repealing and reenacting, with amendments,
11 Article - Insurance
12 Section 27-605(d)
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 27-605.

19 (d) (1) [At] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AT least 10
20 days before the date an insurer proposes to cancel a policy for nonpayment of
21 premium, the insurer shall cause to be sent to the insured, by [certificate of mailing]
22 CERTIFIED MAIL, RETURN RECEIPT REQUESTED, a written notice of intention to
23 cancel for nonpayment of premium.

24 (2) IF, IN ATTEMPTING TO DELIVER A NOTICE OF INTENTION TO CANCEL
25 A POLICY FOR NONPAYMENT OF PREMIUM, THE UNITED STATES POSTAL SERVICE IS
26 UNABLE TO OBTAIN A RECIPIENT'S SIGNATURE BECAUSE NO ONE IS AVAILABLE OR
27 WILLING TO SIGN THE RECEIPT, THE ATTEMPT TO DELIVER THE NOTICE IS DEEMED

1 TO BE SUFFICIENT NOTICE OF INTENTION TO CANCEL THE POLICY FOR
2 NONPAYMENT OF PREMIUM.

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