

---

By: **Senator Stone**

Introduced and read first time: February 4, 2005

Assigned to: Finance

---

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 or on certain inquiries by a policyholder or an  
8 insured; and generally relating to homeowner's insurance coverage.

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

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

16 **Article - Insurance**

17 27-501.

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

21 (1) HOMEOWNER'S INSURANCE CLAIMS MADE BY A PREVIOUS OWNER  
22 OF THE PROPERTY TO BE INSURED OR THAT IS INSURED BY THE INSURER; OR

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

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