

# HOUSE BILL 1087

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By: **Delegates Kirk, Krysiak, Harrison, Haynes, Jones, McHale, McIntosh,  
Nathan-Pulliam, Robinson, Stukes, and Vaughn**

Introduced and read first time: February 12, 2007

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Automobile Insurance – Discrimination in Underwriting – Prohibitions**

3 FOR the purpose of prohibiting an insurer, with respect to automobile liability  
4 insurance, from refusing to underwrite, cancelling, refusing to renew a risk, or  
5 rating a risk based, in whole or in part, on the occupation or education of the  
6 applicant or insured; and generally relating to prohibitions on discrimination by  
7 automobile liability insurers.

8 BY repealing and reenacting, with amendments,  
9 Article – Insurance  
10 Section 27–501(d)(1)  
11 Annotated Code of Maryland  
12 (2006 Replacement Volume and 2006 Supplement)

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

15 **Article – Insurance**

16 27–501.

17 (d) (1) With respect to automobile liability insurance, an insurer may not:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) cancel, refuse to renew, or otherwise terminate coverage for  
2 an automobile insurance risk because of a claim, traffic violation, or traffic accident  
3 that occurred more than 3 years before the effective date of the policy or renewal; [or]

4 (ii) refuse to underwrite an automobile insurance risk because  
5 of a claim, traffic violation, or traffic accident that occurred more than 3 years before  
6 the date of application;

7 **(III) REFUSE TO UNDERWRITE, CANCEL, OR REFUSE TO**  
8 **RENEW A RISK BASED, IN WHOLE OR IN PART, ON THE OCCUPATION OR**  
9 **EDUCATION OF AN APPLICANT OR INSURED; OR**

10 **(IV) RATE A RISK BASED, IN WHOLE OR IN PART, ON THE**  
11 **OCCUPATION OR EDUCATION OF AN APPLICANT OR INSURED IN ANY MANNER,**  
12 **INCLUDING:**

- 13 **1. THE PROVISION OR REMOVAL OF A DISCOUNT;**  
14 **2. ASSIGNING THE INSURED OR APPLICANT TO A**  
15 **RATING TIER; OR**  
16 **3. PLACING AN INSURED OR APPLICANT WITH AN**  
17 **AFFILIATED COMPANY.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2007.