

SENATE BILL 494

C4

7lr1214
CF 7lr1089

By: **Senator Stone**
Introduced and read first time: February 2, 2007
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Homeowner's Insurance – Coverage Beyond Coastal Areas**

3 FOR the purpose of requiring certain insurers to provide coverage beyond a coastal
4 area; defining a certain term; providing for the application of this Act; and
5 generally relating to homeowner's insurance and coverage beyond a coastal
6 area.

7 BY repealing and reenacting, with amendments,
8 Article – Insurance
9 Section 19–201
10 Annotated Code of Maryland
11 (2006 Replacement Volume and 2006 Supplement)

12 BY adding to
13 Article – Insurance
14 Section 19–208
15 Annotated Code of Maryland
16 (2006 Replacement Volume and 2006 Supplement)

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

19 **Article – Insurance**

20 19–201.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In this subtitle the following words have the meanings indicated.

2 (b) "Additional optional coverage" means a coverage or service that covers
3 the structures, contents, property, or activities on property that is available for
4 purchase in connection with a standard homeowner's insurance policy.

5 (c) (1) **"COASTAL AREA" MEANS LAND AREA WITHIN 50 FEET OF THE**
6 **STATE'S COASTAL WATERS.**

7 (2) **"COASTAL AREA" INCLUDES LAND AREA CONTIGUOUS TO AND**
8 **WITHIN 50 FEET OF:**

9 (I) **THE ATLANTIC OCEAN OR CHESAPEAKE BAY; AND**

10 (II) **MAJOR ESTUARIES OR STREAMS EMPTYING INTO THE**
11 **ATLANTIC OCEAN OR CHESAPEAKE BAY.**

12 (D) "Insurer" means an insurer that issues or delivers a policy of
13 homeowner's insurance in the State.

14 **19-208.**

15 **AN INSURER SHALL PROVIDE COVERAGE BEYOND A COASTAL AREA.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all
17 personal lines homeowner's insurance policies and contracts issued, delivered, or
18 renewed on or after October 1, 2007.

19 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
20 October 1, 2007.