

# SENATE BILL 236

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CF 0lr1730

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By: **Senators Middleton, Kelley, and Klausmeier**  
Introduced and read first time: January 22, 2010  
Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Insurance – Premium Increase for Commercial and Workers’ Compensation**  
3 **Insurance – Notice**

4 FOR the purpose of requiring an insurer to provide certain notice to an insurance  
5 producer of a premium increase for certain types of insurance; and generally  
6 relating to notice for premium increases for commercial and workers’  
7 compensation insurance.

8 BY repealing and reenacting, without amendments,  
9 Article – Insurance  
10 Section 27–608(a) and (b)  
11 Annotated Code of Maryland  
12 (2006 Replacement Volume and 2009 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article – Insurance  
15 Section 27–608(g)  
16 Annotated Code of Maryland  
17 (2006 Replacement Volume and 2009 Supplement)

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

20 **Article – Insurance**

21 27–608.

22 (a) (1) This section applies to:

23 (i) policies of commercial insurance; and

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (ii) policies of workers' compensation insurance.

2 (2) This section does not apply to policies issued to exempt commercial  
3 policyholders, as defined in § 11-206(j) of this article.

4 (b) Unless an insurer has given notice of its intention not to renew a policy  
5 subject to this section, if the insurer seeks to increase the renewal policy premium, the  
6 insurer shall send a notice to the named insured and insurance producer, if any, not  
7 less than 45 days prior to the renewal date of the policy.

8 (g) An insurer shall be considered to have met the notice requirement of this  
9 section if, not less than 45 days before the effective date of the renewal policy, the  
10 insurer has sent:

11 (1) to the named insured **AND INSURANCE PRODUCER, IF ANY**, a  
12 renewal policy that includes the renewal policy premium;

13 (2) to the named insured and insurance producer, if any, a written  
14 notice of renewal or continuation of coverage that includes the renewal or continuation  
15 premium; or

16 (3) to the named insured and insurance producer, if any, a renewal  
17 offer that includes a reasonable estimate of the renewal policy premium.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 2010.