

Chapter 663

(House Bill 249)

AN ACT concerning

Insurance – Premium Increase for Commercial and Workers' Compensation Insurance – Notice

FOR the purpose of requiring an insurer to provide certain notice to an independent insurance producer of a premium increase for certain types of insurance in a certain manner; and generally relating to notice for premium increases for commercial and workers' compensation insurance.

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

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

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

Article – Insurance

27–608.

- (a) (1) This section applies to:
- (i) policies of commercial insurance; and
 - (ii) policies of workers' compensation insurance.

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

(b) Unless an insurer has given notice of its intention not to renew a policy subject to this section, if the insurer seeks to increase the renewal policy premium, the

insurer shall send a notice to the named insured and insurance producer, if any, not less than 45 days prior to the renewal date of the policy.

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

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

(II) TO THE INDEPENDENT INSURANCE PRODUCER, IF ANY:

1. A COPY OF THE RENEWAL POLICY THAT INCLUDES THE RENEWAL POLICY PREMIUM THROUGH POSTAL OR ELECTRONIC MAIL; OR

2. AT THE SAME TIME AS THE INSURER SENDS THE RENEWAL POLICY TO THE INSURED, A NOTICE OF THE AVAILABILITY OF THE RENEWAL POLICY THROUGH THE INSURER'S ONLINE ELECTRONIC SYSTEM;

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

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

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

Approved by the Governor, May 20, 2010.