

# HOUSE BILL 1105

C4

2lr2640

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By: **Delegates Hucker and Love**

Introduced and read first time: February 10, 2012

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Homeowner's Insurance and Private Passenger Motor Vehicle Insurance –**  
3 **Bundling Requirement – Prohibited**

4 FOR the purpose of prohibiting an insurer, with respect to homeowner's insurance,  
5 from denying, refusing to renew, or canceling coverage solely because the  
6 applicant or policyholder does not carry private passenger motor vehicle  
7 insurance with the insurer; prohibiting an insurer, with respect to private  
8 passenger motor vehicle insurance, from denying, refusing to renew, or  
9 canceling coverage solely because the applicant or policyholder does not carry  
10 homeowner's insurance with the insurer; providing that this Act does not  
11 prohibit certain actions by an applicant, a policyholder, or an insurer with  
12 respect to certain insurance policies; providing for the application of this Act;  
13 and generally relating to bundling policies of homeowner's insurance and  
14 private passenger motor vehicle insurance.

15 BY adding to

16 Article – Insurance  
17 Section 27–501(r)  
18 Annotated Code of Maryland  
19 (2011 Replacement Volume)

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

22 **Article – Insurance**

23 27–501.

24 **(R) (1) WITH RESPECT TO HOMEOWNER'S INSURANCE, AN INSURER**  
25 **MAY NOT DENY, REFUSE TO RENEW, OR CANCEL COVERAGE FOR AN APPLICANT**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 OR A POLICYHOLDER SOLELY BECAUSE THE APPLICANT OR POLICYHOLDER  
2 DOES NOT CARRY PRIVATE PASSENGER MOTOR VEHICLE INSURANCE WITH THE  
3 INSURER.

4 (2) WITH RESPECT TO PRIVATE PASSENGER MOTOR VEHICLE  
5 INSURANCE, AN INSURER MAY NOT DENY, REFUSE TO RENEW, OR CANCEL  
6 COVERAGE FOR AN APPLICANT OR A POLICYHOLDER SOLELY BECAUSE THE  
7 APPLICANT OR A POLICYHOLDER DOES NOT CARRY HOMEOWNER'S INSURANCE  
8 WITH THE INSURER.

9 (3) THIS SUBSECTION DOES NOT PROHIBIT:

10 (I) AN APPLICANT OR A POLICYHOLDER FROM BUNDLING  
11 HOMEOWNER'S INSURANCE AND PRIVATE PASSENGER MOTOR VEHICLE  
12 INSURANCE POLICIES IF THE APPLICANT OR POLICYHOLDER CHOOSES TO DO  
13 SO; OR

14 (II) AN INSURER FROM OFFERING DISCOUNTS OR OTHER  
15 INCENTIVES TO APPLICANTS OR POLICYHOLDERS WHO CHOOSE TO BUNDLE  
16 HOMEOWNER'S INSURANCE AND PRIVATE PASSENGER MOTOR VEHICLE  
17 INSURANCE POLICIES.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all  
19 policies of homeowner's insurance and private passenger motor vehicle insurance  
20 issued, delivered, or renewed in the State on or after October 1, 2012.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 October 1, 2012.