

HB1203/473399/1

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL 1203
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, after “Dog” insert “Notices”; strike beginning with “prohibiting” in line 4 down through “insured” in line 8 and substitute “requiring insurers that use breed-specific dog exclusions or underwriting guidelines with respect to homeowner’s or renter’s insurance to provide certain notices to the applicant or insured under certain circumstances”; after line 10, insert:

“BY repealing and reenacting, with amendments,

Article – Insurance

Section 19-205

Annotated Code of Maryland

(2011 Replacement Volume and 2012 Supplement)”;

and in line 13, strike “27-501(r)” and substitute “19-206.1”.

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 19 on page 1 through line 3 on page 2, inclusive, and substitute:

“19–205.

(a) (1) An insurer shall provide a policyholder with an annual statement that summarizes the coverages and exclusions under the policy issued by the insurer.

(2) The insurer’s statement shall be clear and specific.

(Over)

(3) The insurer's statement shall state whether the coverages under the policy provide for replacement cost, actual cash value, or other method of loss payment for covered structures and contents.

(4) The insurer's statement shall include a disclosure that states:

(i) the policyholder should read the policy for complete information on coverages and exclusions;

(ii) the policyholder should refer to the declarations page for a listing of coverages purchased;

(iii) the policyholder should communicate with the insurance producer or the insurer for any additional information regarding the scope of coverages in the policy;

(iv) the statement does not include additional optional coverage purchased by the policyholder, if any;

(v) the statement is not part of the policy or contract of insurance and does not create a private right of action;

(vi) all rights, duties, and obligations are controlled by the policy and contract of insurance; [and]

(vii) the standard homeowner's insurance policy does not cover losses from flood; AND

(VIII) THE POLICY DOES NOT COVER LOSSES CAUSED BY DOG BREEDS THAT ARE SPECIFICALLY EXCLUDED UNDER THE POLICY.

(b) The statement under subsection (a) of this section:

- (1) is not part of the policy or contract of insurance; and
- (2) does not create a private right of action.

(c) The Commissioner may adopt regulations to implement the provisions of this section.

19-206.1.

(A) (1) AN INSURER THAT SELLS OR NEGOTIATES HOMEOWNER'S INSURANCE IN THE STATE SHALL PROVIDE AN APPLICANT, AT THE TIME A POLICY OF HOMEOWNER'S INSURANCE IS INITIALLY PURCHASED, WITH A WRITTEN NOTICE THAT STATES WHETHER THE INSURER UNDERWRITES HOMEOWNER'S INSURANCE ON A BREED-SPECIFIC BASIS OR WHETHER THE INSURANCE POLICY HAS A BREED SPECIFIC EXCLUSION.

(2) IF AN APPLICATION IS MADE BY TELEPHONE, THE INSURER IS DEEMED TO BE IN COMPLIANCE WITH THIS SECTION IF, WITHIN 7 CALENDAR DAYS AFTER THE DATE OF APPLICATION, THE INSURER SENDS BY CERTIFICATE OF MAILING THE NOTICE TO THE APPLICANT OR INSURED.

(3) IF AN APPLICATION IS MADE USING THE INTERNET, THE INSURER IS DEEMED TO BE IN COMPLIANCE WITH THIS SECTION IF THE INSURER PROVIDES THE NOTICE TO THE APPLICANT BEFORE THE SUBMISSION OF THE APPLICATION.

(B) THE NOTICE SHALL STATE THE BREEDS THAT THE INSURER DOES NOT UNDERWRITE OR THAT THE INSURER EXCLUDES FROM COVERAGE.

(Over)

(C) A NOTICE PROVIDED UNDER THIS SECTION DOES NOT CREATE A PRIVATE RIGHT OF ACTION." .