

# SENATE BILL 470

C4

6lr2556  
CF 6lr2787

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By: **Senator Reilly**

Introduced and read first time: February 3, 2016

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Surety Insurance – Application for Bonds**

3 FOR the purpose of altering the prohibition against a surety insurer inquiring about certain  
4 information in connection with an application for certain types of bond; and generally  
5 relating to surety insurance and bonds.

6 BY repealing and reenacting, without amendments,  
7 Article – Insurance  
8 Section 27–502(a) and (b)  
9 Annotated Code of Maryland  
10 (2011 Replacement Volume and 2015 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Insurance  
13 Section 27–502(c)  
14 Annotated Code of Maryland  
15 (2011 Replacement Volume and 2015 Supplement)

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

18 **Article – Insurance**

19 27–502.

20 (a) A surety insurer may not cancel or refuse to issue or renew a surety bond for  
21 a reason based wholly or partly on race, color, creed, sex, or physical handicap or disability  
22 of an applicant or principal or for any other arbitrary, capricious, or unfairly discriminatory  
23 reason.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) A surety insurer may not require special conditions, facts, or situations as a  
2 condition to its acceptance or renewal of a particular surety risk in an arbitrary, capricious,  
3 unfair, or discriminatory manner based wholly or partly on race, creed, color, sex, religion,  
4 national origin, place of residence, or physical handicap or disability.

5 (c) A surety insurer may not make an inquiry about race, creed, color, or national  
6 origin in a surety form, questionnaire, or other manner of requesting general information  
7 that relates to an application for a surety bond **OTHER THAN A BAIL BOND OR AN**  
8 **IMMIGRATION BOND.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
10 October 1, 2016.