

Parris N. Glendening
Governor

House Bill No. 1236

AN ACT concerning

Homeowner's Homeowner's Insurance - Perpetual Policies Risks and Classes of Risks - Cancellation

FOR the purpose of ~~prohibiting an insurer from canceling a~~ authorizing an insurer to cancel a certain policy of homeowner's insurance under certain circumstances; and generally relating to the cancellation of a policy of homeowner's insurance. ~~perpetual certain insurance risk or class of risk if the provisions of the policy of homeowner's insurance because of a claim that occurred before a certain time; and generally relating to the cancellation of perpetual policies of homeowner's insurance require a onetime deposit for a stated amount of coverage except under certain circumstances.~~

~~BY repealing and reenacting, with amendments,~~
~~Article - Insurance~~
~~Section 27-501(d)(2)~~
~~Annotated Code of Maryland~~
~~(1997 Volume and 2001 Supplement)~~

~~BY adding to~~
~~Article - Insurance~~
~~Section 27-501(a)(3)~~
~~Annotated Code of Maryland~~
~~(1997 Replacement Volume and 2001 Supplement)~~

~~BY repealing and reenacting, with amendments,~~
~~Article - Insurance~~
~~Section 27-501(d)~~
~~Annotated Code of Maryland~~
~~(1997 Volume and 2001 Supplement)~~

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

Article - Insurance

27-501.

~~(d) (2) (f) IN THIS PARAGRAPH, "PERPETUAL POLICY" MEANS A POLICY THAT:~~

~~1- REQUIRES A ONE TIME DEPOSIT WITH A GUARANTEED RETURN OF THE DEPOSIT ON TERMINATION OF THE POLICY;~~