

to the satisfaction of the court, shall forfeit and pay to the State of Maryland a sum not to exceed \$250.00 which may be recovered in a civil action, except that if the violation is found to be willful, the amount of the penalty shall be a sum not to exceed \$1,000.00. The Commissioner, in his discretion, may revoke or suspend the license or certificate of authority of the insurer or person guilty of such violation. The order for suspension or revocation shall be upon notice and hearing and shall be subject to judicial review as provided in Section 436N of this Article.

SEC. 2. *And be it further enacted,* That if any provision of this subtitle, or the application of any provision to any person or circumstances, shall be held invalid, the remainder of the subtitle and application of the provision to any person or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 3. *And be it further enacted,* That this Act shall take effect July 1, 1970. The provisions of Sections 436F, 436G, 436H, and 436-I of this Article shall not be operative until ninety (90) days after the effective date of this subtitle, and the Commissioner in his discretion may extend by not more than an additional ninety (90) days the initial period within which the provisions of said sections shall not be operative.

Approved April 28, 1970

CHAPTER 417
(Senate Bill 219)

AN ACT to add new sections, Sections 234A, 234B, ~~234C~~, and ~~234D~~ AND 234C to Article 48A, title "Insurance Code," subtitle 15, "Unfair Trade Practices," of the Annotated Code of Maryland (1957 Edition, 1968 Replacement Volume), to follow immediately after Section 234 thereof to establish standards of fairness in insurance underwriting, ~~claim payment~~, and treatment of agents or brokers, and to confer authority on the Insurance Commissioner to remedy failure to observe such standards.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That new Sections 234A, 234B, ~~234C~~, and ~~234D~~ AND 234C be added to Article 48A, title "Insurance Code," subtitle 15, "Unfair Trade Practices," of the Annotated Code of Maryland (1957 Edition, 1968 Replacement Volume) to follow immediately after Section 234, thereof, to read as follows:

234A. Unfairness in Underwriting.

(a) *No insurer shall cancel or refuse to underwrite or renew a particular insurance risk or class of risks for any arbitrary, capricious, unfair or discriminatory reason, including but not limited to, a refusal or cancellation based in whole or in part upon the race, creed, color, religion, or national origin, OR PLACE OF RESIDENCY OR EMPLOYMENT of an applicant or policyholder.*