

FOR the purpose of requiring a surety upon request to give the applicant--~~or principal~~ bond holder written notice of certain actions and to state the reason for the action,~~--and--permitting--the--Insurance--Commissioner--to--order--the--surety--to--renew--certain--actions--if--a--complaint--is--filed.~~

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 234AA
Annotated Code of Maryland
(1979 Replacement Volume and 1980 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 48A - Insurance Code

234AA.

(a) No surety shall cancel or refuse to issue or renew a surety bond as defined in § 69 of this article for any reason based in whole or in part upon race, color, creed, sex, or physical handicap or disability of an applicant or principal or for any other arbitrary, capricious, or unfairly discriminatory reason.

(b) No surety shall require the existence of special conditions, facts, or situations as a condition to its acceptance or renewal of a particular surety risk in an arbitrary, capricious, unfair, or discriminatory manner based in whole or in part upon the race, creed, color, sex, religion, national origin, place of residence, or physical handicap or disability.

(c) No surety shall make any inquiry as to race, creed, color, or national origin in any surety form, questionnaire, or other manner of general information which would pertain to any application for surety bonds.

(D) AN INSURER WHICH INTENDS TO CANCEL OR REFUSE TO ISSUE OR RENEW A SURETY BOND SHALL, UPON REQUEST, SEND WRITTEN NOTICE TO THE BOND HOLDER WHICH STATES THE REASON FOR THE PROPOSED ACTION.

[[d]] (E) Any person aggrieved under this section shall notify the Commissioner within 30 days in writing, specifying the facts giving rise to his complaint. The Commissioner shall, upon receipt of the complaint, forward a copy of the complaint to the surety. ~~IF--A--COMPLAINT--IS--FILED--WHICH--ALLEGES--CANCELLATION--OR--REFUSAL--TO--RENEW--A--SURETY--BOND--THE--COMMISSIONER--MAY--ORDER--THE--SURETY--TO--RENEW--THE--ACTION--PENDING--A--FINAL--DETERMINATION--BY--THE--COMMISSIONER.~~ If the Commissioner finds from the complaint