

INFORMATION TO CONTROL THE INCIDENCE OF ARSON FRAUD FROM APPLICANTS FOR NEW POLICIES OF PROPERTY INSURANCE.

576.

(A) (1) "ANTIARSON APPLICATION" MEANS ANY APPLICATION FOR PROPERTY INSURANCE COVERING THE PERIL OF FIRE THAT INCLUDES CERTAIN QUESTIONS TO BE ANSWERED BY THE APPLICANT IN ADDITION TO THE BASIC INFORMATION NORMALLY SUPPLIED TO AN INSURER BY AN APPLICANT FOR THIS TYPE OF COVERAGE.

(2) "INSURANCE POLICY" AND "CONTRACT" DO NOT MEAN AN EXISTING PROPERTY INSURANCE POLICY OR CONTRACT THAT IS BEING RENEWED; HOWEVER THE ASSIGNMENT OF A POLICY OR CONTRACT BECAUSE OF THE TRANSFER OF A MAJOR FINANCIAL INTEREST IN THE INSURED REAL PROPERTY SHALL REQUIRE COMPLETION OF AN ANTIARSON APPLICATION IF OTHERWISE REQUIRED UNDER THIS SUBTITLE.

~~(B) -- THE USE OF THE ANTIARSON APPLICATION IS MANDATORY~~
(B) AN ANTIARSON APPLICATION MAY BE USED FOR COMMERCIAL MONOLINE FIRE POLICIES, DESIGNATED OCCUPANCIES, AND DESIGNATED AREAS OF THE STATE, BASED UPON A FINDING BY THE INSURANCE COMMISSIONER, AFTER A PUBLIC HEARING, THAT THESE COMMERCIAL MONOLINE FIRE POLICIES, DESIGNATED OCCUPANCIES, AND AREAS OF THE STATE HAVE AN ABNORMALLY HIGH INCIDENCE OF ARSON. HOWEVER, THE INSURANCE COMMISSIONER MAY EXTEND THE APPLICATION OF THIS SUBTITLE TO OTHER THAN COMMERCIAL MONOLINE FIRE POLICIES, IF HE FINDS, AFTER PUBLIC HEARING, THAT THE PROPERTIES INSURED THROUGH THOSE OTHER TYPES OF POLICIES ARE ESPECIALLY PRONE TO ARSON.

(C) DESIGNATION OF ANY AREA OF THE STATE UNDER THIS ACT SHALL NOT BE DEEMED A VALID REASON FOR REFUSAL TO WRITE, TERMINATE, OR RENEW ANY POLICY OR CONTRACT OF INSURANCE.

(D) THE INSURANCE COMMISSIONER, SHALL PROMULGATE THE ANTIARSON APPLICATION FORM, AND SHALL CONSIDER GENERALLY RECOGNIZED TWO-TIER APPLICATION FORMS. IF THE INITIAL FIRST-TIER APPLICATION ELICITS CERTAIN PREDESIGNATED ANSWERS, THEN THE APPLICANT SHALL BE REQUIRED TO COMPLETE A SECOND-TIER SUPPLEMENTARY APPLICATION. THE TWO-TIERED APPLICATION SHALL SECURE THE DISCLOSURE OF INFORMATION INCLUDING, BUT NOT LIMITED TO:

(1) THE NAME AND ADDRESS OF THE APPLICANT OF ANY MORTGAGEES, AND OF ANY OTHER PARTIES WHO HAVE AN OWNERSHIP INTEREST IN THE PROPERTY;

(2) THE AMOUNT OF INSURANCE REQUESTED AND THE METHOD OF VALUATION USED TO ESTABLISH THAT AMOUNT;

(3) THE DATES AND SELLING PRICES OF THE PROPERTY IN ALL REAL ESTATE TRANSACTIONS INVOLVING IT DURING THE LAST 3 YEARS;