

## CHAPTER 701

(Senate Bill 1017)

AN ACT concerning

## Motor Vehicle Liability Insurance - Cancellation

FOR the purpose of ~~repealing a certain applicability restriction in the procedure for the cancellation of a motor vehicle liability insurance policy, and generally relating to the cancellation procedure for a motor vehicle liability insurance policy~~ providing that certain motor vehicle liability insurance issued to commercial entities is subject to certain procedural notice and requirements; and generally relating to the cancellation and nonrenewal procedure for a commercial motor vehicle liability insurance policy.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code

Section ~~240AA(a)~~ 240A(a)

Annotated Code of Maryland

(1979 Replacement Volume and 1985 Supplement)

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

## Article 48A - Insurance Code

~~240AA-~~

~~(a) Except in accordance with the provisions of this article, no insurer other than the Maryland Automobile Insurance Fund shall (i) cancel or fail to renew a policy of motor vehicle liability insurance issued in this State, as to any resident of the household of the named insured, for any reason other than nonpayment of premium, or (ii) increase a premium for any coverage on any such policy unless the increase is part of a general increase in premiums approved by the Commissioner and does not result from a reclassification of the insured, or (iii) reduce the coverage under any such policy unless the reduction is part of a general reduction in coverage approved by the Commissioner or to satisfy the requirements of §§ 539 through 541 of this article, inclusive.~~

240A.

(a) Whenever an insurer gives notice of its intention to cancel or not to renew a policy of insurance other than life, health, motor vehicle liability insurance ISSUED TO ANY RESIDENT OF A HOUSEHOLD IN MARYLAND AS SET FORTH IN § 240AA, or surety insurance as defined in § 69 of this article issued in this State as hereinafter required in subsection (c) hereof, or before it