

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

Article-48A - Insurance Code

541.

(d) (1) All insurers shall offer collision coverage for damage to insured motor vehicles subject to deductibles of \$50 to \$250 in \$50 increments.

(2) AN INSURER MAY OFFER TO ITS INSURED OPTIONAL COVERAGE FOR DAMAGES INCURRED BY THE INSURED AS A RESULT OF THE LOSS OF USE OF A RENTAL VEHICLE THAT SUSTAINS COLLISION DAMAGE WHILE RENTED BY THE INSURED.

~~(2)~~ (3) Collision coverage shall provide insurance without regard to fault against accidental property damage to the insured motor vehicle caused by physical contact of the insured motor vehicle with another motor vehicle or with another object or by upset of the insured motor vehicle, if the accident occurs within the United States of America, its territories or possessions, Canada or Mexico.

~~(3)~~ (4) (I) FOR PURPOSES OF THIS PARAGRAPH, "PASSENGER CAR" MEANS ANY MOTOR VEHICLE THAT IS A CLASS A (PASSENGER) VEHICLE UNDER § 13-912 OF THE TRANSPORTATION ARTICLE, OR ANY MOTOR VEHICLE THAT IS A CLASS M (MULTIPURPOSE) VEHICLE UNDER § 13-937 OF THE TRANSPORTATION ARTICLE IF THE VEHICLE IS USED PRIMARILY FOR TRANSPORTING PASSENGERS.

(II) Whenever a private passenger automobile insurance policy issued, sold, or delivered in this State includes collision coverage under this subsection, the motor vehicles insured under such coverage shall include any passenger car [as defined in § 11-144.1 of the Transportation Article and] THAT IS rented by an insured for a period of 30 days or less under a rental agreement as otherwise defined in § 14-2101 of the Commercial Law Article.

(III) Every insurer providing a policy with such coverage shall notify its insured in a separate written notice in bold type that the insured will not need any additional such coverages or a collision damage waiver whenever the insured rents a private passenger car for a period of 30 days or less during the term of the policy.

(IV) AN INSURER MAY NOT DENY COVERAGE TO AN INSURED FOR COLLISION DAMAGE TO A RENTAL VEHICLE BECAUSE:

1. THE ACCIDENT INVOLVED AN UNINSURED MOTORIST; OR
2. THE IDENTITY OF THE MOTOR VEHICLE CAUSING THE DAMAGE CANNOT BE ASCERTAINED.

Article - Commercial Law

14-2101.

- (a) (1) In this section the following words have the meanings indicated.