

CHAPTER 460

(House Bill 1129)

AN ACT concerning

Property and Casualty Automobile Insurance - Proof of Insurance

FOR the purpose of requiring an authorized insurer to provide certain proof of insurance upon renewal of an automobile insurance policy and on request of an insured or person with an insurable interest in property; providing for the application of this Act; authorizing an insurer to require certain authorization before providing certain proof of insurance; providing that this Act may not be construed to limit the right of a certain person to obtain proof of insurance; and generally relating to proof of insurance under property and casualty insurance.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 12-301

Annotated Code of Maryland

(1997 Volume and 1999 Supplement)

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

Article - Insurance

12-301.

(a) In this section, "insurable interest" means an actual, lawful, and substantial economic interest in the safety or preservation of the subject of the insurance against loss, destruction, or pecuniary damage or impairment to the property.

(b) A contract of property insurance or a contract of insurance of an interest in or arising from property is enforceable only for the benefit of a person with an insurable interest in the property at the time of the loss.

(c) An insurable interest in property is measured by the extent of possible harm to the insured from loss, injury, or impairment of the property.

(D) (1) THIS SUBSECTION APPLIES ONLY TO AN AUTOMOBILE INSURANCE POLICY THAT IS PROCURED BY AN INDEPENDENT AGENT. ON REQUEST OF AN INSURED OR A PERSON WITH

(2) UPON RENEWAL OF AN EXISTING AUTOMOBILE INSURANCE POLICY, IF THE INSURED OR A PERSON HOLDING AN INSURABLE INTEREST IN PROPERTY UNDER THIS SECTION THE SUBJECT OF THE POLICY REQUESTS PROOF OF INSURANCE, AN AUTHORIZED INSURER SHALL PROVIDE: