

CHAPTER 124

(House Bill 413)

AN ACT concerning

Insurance - Cancellation of Policies - Required Notice

FOR the purpose of requiring certain insurers to ~~provide and~~ *provide* a certain notice ~~to~~ by certificate of mailing to ~~the last known address of~~ an insured before the cancellation of an insurance policy; *altering the mailing requirement for a certain workers' compensation policy*; and generally relating to insurance policies and notice provisions.

BY repealing and reenacting, with amendments,

Article - Insurance

Section ~~19-406(a)~~, 27-601, and 27-605

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

19-406.

(a) An insurer may not cancel a workers' compensation insurance policy before its expiration unless, at least 30 days before the date of cancellation, the insurer:

(1) serves on the employer, by personal service or [registered mail] CERTIFIED MAIL addressed to the last known address of the employer, a notice of intention to cancel the policy; and

(2) files a copy of the notice with the State Workers' Compensation Commission.

27-601.

(a) This section does not apply to policies of:

(1) life insurance;

(2) health insurance;

(3) motor vehicle liability insurance issued to a resident of a household in the State as set forth in § 27-605 of this subtitle; or

(4) surety insurance.

(b) (1) Whenever an insurer, as required by subsection (c) of this section, gives notice of its intention to cancel or not to renew a policy subject to this section issued in the State or before an insurer cancels a policy subject to this section issued