

# CHAPTER 338

(Senate Bill 588)

AN ACT concerning

## Insurance - Binders or Policies - Personal Insurance

FOR the purpose of providing that certain provisions of law regarding binders or policies are applicable to personal insurance; altering certain notice requirements for cancellation of a certain binder or policy for nonpayment of premium; defining a certain term; providing for the application of this Act; and generally relating to binders and policies of personal insurance.

BY repealing and reenacting, with amendments,  
Article - Insurance  
Section 12-106  
Annotated Code of Maryland  
(2003 Replacement Volume and 2006 Supplement)

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

### Article - Insurance

12-106.

(a) IN THIS SECTION, "PERSONAL INSURANCE" MEANS PROPERTY INSURANCE OR CASUALTY INSURANCE ISSUED TO AN INDIVIDUAL, TRUST, ESTATE, OR SIMILAR ENTITY THAT IS INTENDED TO INSURE AGAINST LOSS ARISING PRINCIPALLY FROM THE PERSONAL, NONCOMMERCIAL ACTIVITIES OF THE INSURED.

(B) This section applies only to a binder or policy, other than a renewal policy, of:

~~(1) private passenger motor vehicle, homeowners, dwelling, credit loss,~~  
or PERSONAL INSURANCE, commercial property insurance, ~~or liability~~ AND COMMERCIAL LIABILITY insurance; ~~AND~~

~~(2) PERSONAL INSURANCE.~~

[(b)](C) A binder or policy is subject to a 45-day underwriting period beginning on the effective date of coverage.