

on the policy; making clarifying and conforming changes; and generally relating to motor vehicle liability insurance.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 27-609

Annotated Code of Maryland

(2006 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

27-609.

(a) (1) (I) This [subsection] PARAGRAPH applies to [an automobile] A PRIVATE PASSENGER MOTOR VEHICLE liability insurance policy issued in the State [to a resident of a household,] under which more than one individual is insured.

[2] (II) If an insurer is authorized under this article to cancel, nonrenew, or increase the premiums on a policy of [automobile] PRIVATE PASSENGER MOTOR VEHICLE liability insurance subject to this [subsection] PARAGRAPH because of the claim experience or driving record of one or more but less than all of the individuals insured under the policy, the insurer, instead of cancellation, nonrenewal, or premium increase, shall offer to continue or renew the insurance, but to exclude all coverage when a motor vehicle is operated by the specifically named excluded individual or individuals whose claim experience or driving record could have justified the cancellation, nonrenewal, or premium increase.

(2) (I) THIS PARAGRAPH APPLIES TO A MOTOR VEHICLE LIABILITY INSURANCE POLICY ISSUED IN THE STATE, OTHER THAN A POLICY SUBJECT TO PARAGRAPH (1) OF THIS SUBSECTION, UNDER WHICH MORE THAN ONE INDIVIDUAL IS INSURED.

(II) IF AN INSURER IS AUTHORIZED UNDER THIS ARTICLE TO CANCEL, NONRENEW, OR INCREASE THE PREMIUMS ON A POLICY OF MOTOR VEHICLE LIABILITY INSURANCE SUBJECT TO THIS PARAGRAPH BECAUSE OF THE CLAIM EXPERIENCE OR DRIVING RECORD OF ONE OR MORE BUT LESS THAN ALL OF THE INDIVIDUALS INSURED UNDER THE POLICY, THE INSURER, INSTEAD OF CANCELLATION, NONRENEWAL, OR PREMIUM INCREASE, MAY OFFER TO CONTINUE OR RENEW THE INSURANCE, BUT TO EXCLUDE ALL COVERAGE WHEN A MOTOR VEHICLE IS OPERATED BY THE SPECIFICALLY NAMED EXCLUDED INDIVIDUAL OR INDIVIDUALS WHOSE CLAIM EXPERIENCE OR DRIVING RECORD