

~~certain regulations concerning certain underwriting standards with respect to homeowner's insurance and private passenger motor vehicle insurance; prohibiting insurers from using certain standards for purposes of canceling or refusing to underwrite or renew homeowner's insurance and private passenger motor vehicle insurance under certain circumstances; specifying that certain standards that relate to a certain purpose do not require certain statistical validation under certain circumstances; authorizing insurers to consider certain factors for purposes of canceling or refusing to underwrite or renew homeowner's and private passenger motor vehicle insurance under certain circumstances; requiring insurers to disclose certain information to applicants and insureds if the insurer takes into consideration certain factors for purposes of canceling or refusing to underwrite or renew a policy; providing for the application of this Act; providing for the termination of this Act; and generally relating to underwriting standards for canceling or refusing to underwrite or renew homeowner's insurance and private passenger motor vehicle insurance.~~

BY repealing and reenacting, with amendments,

Article - Insurance

Section 27-501

Annotated Code of Maryland

(1997 Volume)

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

Article - Insurance

27-501.

(a) (1) An insurer, agent, or broker may not cancel or refuse to underwrite or renew a particular insurance risk or class of risk for a reason based wholly or partly on race, color, creed, sex, or blindness of an applicant or policyholder or for any arbitrary, capricious, or unfairly discriminatory reason.

(2) ~~[An] SUBJECT TO THE PROVISIONS OF SUBSECTION (1) OF EXCEPT AS PROVIDED IN THIS SECTION,~~ AN insurer, agent, or broker may not cancel or refuse to underwrite or renew a particular insurance risk or class of risk except by the application of standards that are reasonably related to the insurer's economic and business purposes.

(b) (1) An insurer may not require special conditions, facts, or situations as a condition to its acceptance or renewal of a particular insurance risk or class of risks in an arbitrary, capricious, unfair, or discriminatory manner based wholly or partly on race, creed, color, sex, religion, national origin, place of residency, blindness, or other physical handicap or disability.

(2) Actuarial justification may be considered with respect to sex.