

FOR the purpose of prohibiting certain language limiting coverage for additional living expenses incurred by an insured as a result of a covered loss in a policy of homeowner's, fire, farmowner's, or dwelling insurance; specifying that certain language in a policy of homeowner's, fire, farmowner's, or dwelling insurance is void; specifying that certain actions by an insurer are not prohibited under this Act; authorizing the Maryland Insurance Commissioner to require an insurer to provide coverage for additional living expenses under a certain policy for up to a certain time under certain circumstances; and generally relating to policies of homeowner's, fire, farmowner's, and dwelling insurance.

BY adding to  
 Article – Insurance  
 Section 19–208  
 Annotated Code of Maryland  
 (2006 Replacement Volume and 2007 Supplement)

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

Article – Insurance

19–208.

(A) A POLICY OF HOMEOWNER'S, FIRE, FARMOWNER'S, OR DWELLING INSURANCE THAT PROVIDES COVERAGE FOR ADDITIONAL LIVING EXPENSES INCURRED BY AN INSURED AS A RESULT OF A COVERED LOSS MAY NOT BE ISSUED, SOLD, OR DELIVERED IN THE STATE IF THE POLICY CONTAINS LANGUAGE THAT LIMITS COVERAGE FOR ADDITIONAL LIVING EXPENSES:

~~(1) TO A PERIOD OF TIME THAT IS STATED IN TERMS OF DAYS, MONTHS, OR YEARS; OR~~

~~(2) THAT OTHERWISE INCLUDES A TEMPORAL LIMITATION BASED ON A FACTOR OTHER THAN THE HABITABILITY OF THE COVERED PROPERTY LESS THAN 12 MONTHS.~~

(B) A CLAUSE IN A POLICY OF HOMEOWNER'S, FIRE, FARMOWNER'S, OR DWELLING INSURANCE THAT PURPORTS TO LIMIT COVERAGE FOR ADDITIONAL LIVING EXPENSES INCURRED BY AN INSURED AS A RESULT OF A COVERED LOSS TO A PERIOD OF TIME THAT IS ~~STATED IN TERMS OF DAYS, MONTHS, OR YEARS OR THAT OTHERWISE INCLUDES A TEMPORAL LIMITATION BASED ON A FACTOR~~