

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

27-501.

(a) (1) An insurer or insurance producer 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) Except as provided in this section, an insurer or insurance producer 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.

(q) FOR PURPOSES OF THIS SECTION, WITH RESPECT TO PRIVATE PASSENGER MOTOR VEHICLE INSURANCE POLICIES AND HOMEOWNER'S INSURANCE POLICIES, THE TRANSFER OF A POLICYHOLDER BETWEEN ADMITTED INSURERS WITHIN THE SAME INSURANCE HOLDING COMPANY SYSTEM, AS DEFINED IN § 7-101 OF THIS ARTICLE, IS A RENEWAL IF:

(1) THE POLICYHOLDER'S PREMIUM DOES NOT INCREASE; AND

(2) THE POLICYHOLDER DOES NOT EXPERIENCE A REDUCTION IN COVERAGE.

27-601.1.

(A) FOR PURPOSES OF THIS SUBTITLE, WITH RESPECT TO POLICIES OF PERSONAL INSURANCE AND PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE, THE ISSUANCE BY AN INSURER OF A NEW POLICY TO REPLACE AN EXPIRING POLICY ISSUED BY THAT INSURER IS A RENEWAL.

(B) FOR PURPOSES OF THIS SUBTITLE, WITH RESPECT TO POLICIES OF PERSONAL INSURANCE AND PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE, THE ISSUANCE BY AN INSURER OF A NEW POLICY TO REPLACE AN EXPIRING POLICY ISSUED BY ANOTHER ADMITTED INSURER WITHIN THE SAME