

(1997 Volume and 1999 Supplement)

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

Article - Insurance

27-601.

(a) This section does not apply to policies of:

- (1) life insurance;
- (2) health insurance;
- (3) motor vehicle liability insurance issued to a resident of a household in the State as set forth in § 27-605 of this subtitle; or
- (4) surety insurance.

(b) (1) Whenever an insurer, as required by subsection (c) of this section, gives notice of its intention to cancel or not to renew a policy subject to this section issued in the State or before an insurer cancels a policy subject to this section issued in the State for a reason other than nonpayment of premium, the insurer shall notify the insured of the possible right of the insured to replace the insurance under the Maryland Property Insurance Availability Act or through another plan for which the insured may be eligible.

(2) The notice required by paragraph (1) of this subsection must:

- (i) be in writing;
- (ii) contain the current address and telephone number of the offices of the appropriate plan; and
- (iii) be sent to the insured in the same manner and at the same time as the first written notice of cancellation or of intention not to renew given or required by law, regulation, or contract.

(c) (1) At least 45 days before the date of the proposed cancellation or expiration of the policy, the insurer shall cause to be sent to the insured, BY CERTIFICATE OF MAILING, a written notice of intention to cancel for a reason other than nonpayment of premium or notice of intention not to renew a policy issued in the State.

(2) Notice given to the insured by a broker or an agent on behalf of the insurer is deemed to have been given by the insurer for purposes of this subsection.

(3) Notwithstanding paragraph (2) of this subsection, no notice is required under this section if the agent or broker has replaced the insurance.

(D) AT LEAST 10 DAYS BEFORE THE DATE AN INSURER PROPOSES TO CANCEL A POLICY FOR NONPAYMENT OF PREMIUM, THE INSURER SHALL CAUSE TO BE SENT