

HOUSE BILL 501

C4

6lr1315

By: **Delegate Chang**

Introduced and read first time: February 1, 2016

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Insurance – Volunteer Drivers**

3 FOR the purpose of prohibiting certain insurers that issue, sell, or deliver policies of motor
4 vehicle liability insurance in the State from canceling or refusing to issue a policy to
5 a certain applicant solely because the applicant is a volunteer driver; prohibiting
6 certain insurers from imposing a certain charge or rate increase solely because a
7 certain driver under the policy is a volunteer driver; providing that this Act does not
8 prohibit certain insurers from canceling, refusing to renew, or imposing certain
9 charges or rate increases on a policy under certain circumstances; defining
10 “volunteer driver”; providing for the application of this Act; and generally relating to
11 motor vehicle liability insurance.

12 BY adding to
13 Article – Insurance
14 Section 19–518
15 Annotated Code of Maryland
16 (2011 Replacement Volume and 2015 Supplement)

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

19 **Article – Insurance**

20 **19–518.**

21 **(A) IN THIS SECTION, “VOLUNTEER DRIVER” MEANS AN INDIVIDUAL WHO**
22 **PROVIDES DRIVING SERVICES, INCLUDING TRANSPORTATION OF INDIVIDUALS OR**
23 **GOODS, TO A CHARITABLE ORGANIZATION OR A NOT-FOR-PROFIT ORGANIZATION IN**
24 **THE STATE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(B) AN INSURER THAT ISSUES, SELLS, OR DELIVERS A MOTOR VEHICLE**
2 **LIABILITY INSURANCE POLICY IN THE STATE MAY NOT:**

3 **(1) CANCEL OR REFUSE TO ISSUE THE POLICY TO AN APPLICANT**
4 **SOLELY BECAUSE THE APPLICANT IS A VOLUNTEER DRIVER; OR**

5 **(2) IMPOSE A SURCHARGE ON OR OTHERWISE INCREASE THE RATE**
6 **FOR THE POLICY SOLELY BECAUSE THE APPLICANT, A MEMBER OF THE APPLICANT'S**
7 **HOUSEHOLD, OR AN INDIVIDUAL WHO CUSTOMARILY OPERATES THE APPLICANT'S**
8 **MOTOR VEHICLE IS A VOLUNTEER DRIVER.**

9 **(C) THIS SECTION DOES NOT PROHIBIT AN INSURER FROM CANCELING,**
10 **REFUSING TO RENEW, IMPOSING A SURCHARGE ON, OR OTHERWISE INCREASING**
11 **THE RATE FOR A MOTOR VEHICLE LIABILITY INSURANCE POLICY BASED ON**
12 **FACTORS OTHER THAN THE STATUS OF A DRIVER UNDER THE POLICY AS A**
13 **VOLUNTEER DRIVER.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
15 apply to every policy of motor vehicle liability insurance issued, sold, delivered, or renewed
16 in the State on or after January 1, 2017.

17 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2016.