

allows the cancellation of "perpetual" homeowner's insurance policies, the cancellations should only apply to policies issued after the effective date of the bill. In addition, more stringent standards should be established for canceling a "perpetual" policy rather than just applying the same standards that currently govern annual or semi-annual insurance policies.

For the above reasons, I have vetoed Senate Bill 807.

Sincerely,
Parris N. Glendening
Governor

Senate Bill No. 807

AN ACT concerning

Homeowner's Homeowner's Insurance - Perpetual Policies **Risks and Classes of Risks - Cancellation**

FOR the purpose of ~~prohibiting an insurer from canceling a~~ authorizing an insurer to cancel a certain policy of homeowner's insurance under certain circumstances; and generally relating to the cancellation of a policy of homeowner's insurance. perpetual certain insurance risk or class of risk if the provisions of the policy of homeowner's insurance because of a claim that occurred before a certain time; and generally relating to the cancellation of perpetual policies of homeowner's insurance require a one time deposit for a stated amount of coverage except under certain circumstances.

~~BY repealing and reenacting, with amendments,~~

~~Article - Insurance
Section 27-501(d)(2)
Annotated Code of Maryland
(1997 Volume and 2001 Supplement)~~

BY adding to

Article - Insurance
Section 27-501(a)(3)
Annotated Code of Maryland
(1997 Volume and 2001 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance
Section 27-501(d)
Annotated Code of Maryland
(1997 Volume and 2001 Supplement)

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