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**BULLETIN 08-21**

**To: All Property & Casualty Insurance Companies, All Property & Casualty Producers, and All Interested Parties**

**Re: Prohibition on Moratoriums for Writing Property & Casualty Insurance During Approaching Hurricanes or Tropical Storms**

**Date: September 5, 2008**

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As the hurricane season begins to potentially impact Maryland, the Insurance Administration wants to remind insurers and producers of their obligations under Maryland's insurance law. If the company has a rating plan filed with the Administration and a risk meets its underwriting guidelines the carrier may not refuse to underwrite or renew that risk, absent a §19-107 filing or a specific exception in its rating manual.

Today, the Maryland Insurance Administration was advised by certain insurers that they were considering a moratorium on the writing of new business, the addition of endorsements for additional coverages, or other policy changes as a result of an approaching hurricane and/or tropical storm. In the absence of an approved rating plan allowing such action, a moratorium is prohibited. See MD. CODE ANN., INS. ART., §§ 19-107, 27-501; *Lumberman's Mut. Cas. v. Ins. Comm'r.*, 302 Md. 248 (1985).

If you have any questions about this Bulletin, please contact Karen Stakem Hornig, Associate Deputy Commissioner, by telephone at (410) 468-2010 e-mail at [khornig@mdinsurance.state.md.us](mailto:khornig@mdinsurance.state.md.us) or David Diehl, Chief Administrator, Property & Casualty, by telephone at (410) 468-2320 or by e-mail at [ddiehl@mdinsurance.state.md.us](mailto:ddiehl@mdinsurance.state.md.us).

  
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Insurance Commissioner