C49lr1655 CF SB 227

By: Delegate D.E. Davis

Introduced and read first time: February 6, 2019

Assigned to: Economic Matters

A BILL ENTITLED

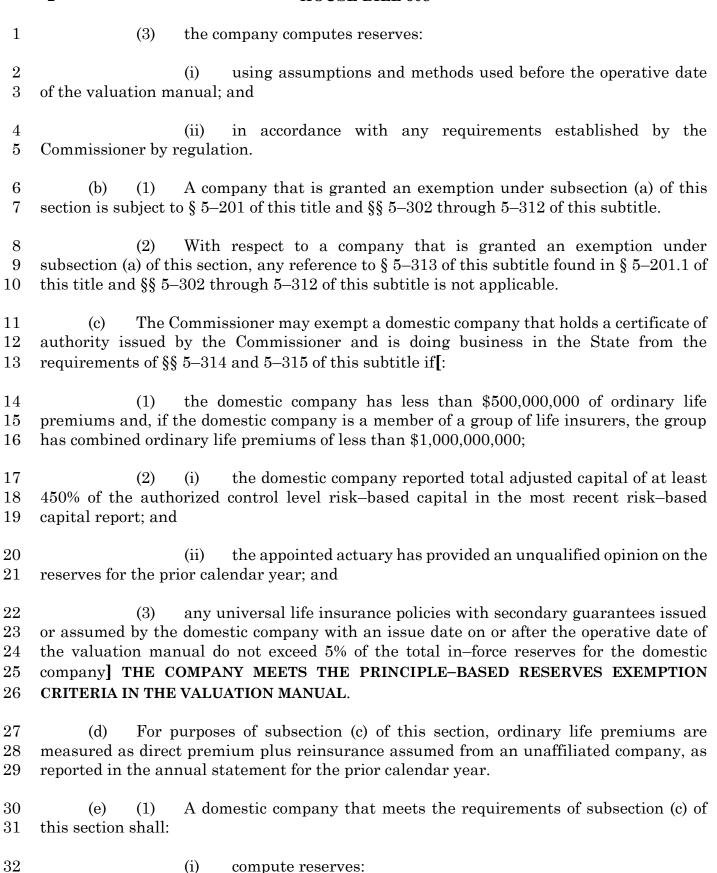
1 AN ACT concerning

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Insurance - Principle-Based Reserves

- 3 FOR the purpose of altering the exemptions that the Maryland Insurance Commissioner 4 may provide to certain domestic insurance companies from certain reserve 5 requirements; authorizing the Commissioner to exempt a certain domestic insurance 6 company from certain requirements if the company meets certain principle-based 7 reserve exemption criteria; repealing certain exemptions to certain reserve 8 requirements; and generally relating to insurance companies and required reserves.
- 9 BY repealing and reenacting, with amendments,
- 10 Article – Insurance
- 11 Section 5-317
- Annotated Code of Maryland 12
- (2017 Replacement Volume and 2018 Supplement) 13
- 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 15 That the Laws of Maryland read as follows:
- Article Insurance 16
- 17 5-317.
- 18 The Commissioner may exempt a specific product form or product line of a 19 domestic company that holds a certificate of authority issued by the Commissioner and is 20 doing business only in the State from the requirements of § 5–313 of this subtitle if:
- 21(1) the Commissioner has issued an exemption in writing to the company;
- 22 (2)the exemption has not been revoked in writing by the Commissioner;
- 23 and





33 using assumptions and methods used before the operative date of the valuation manual; and

1	2.	in	accordance	with	any	requirements	established	by	the
2	Commissioner in regulation; and	ŀ							

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- (ii) file, before July 1 of each year, a statement with the Commissioner certifying that the domestic company meets the requirements of subsection (c) of this section for the current calendar year based on premiums and other values from the financial statements for the prior calendar year.
- 7 (2) Before September 1 of each year, the Commissioner may reject a 8 statement filed under paragraph (1)(ii) of this subsection and require a domestic company 9 to comply with the valuation manual requirements for life insurance reserves.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2019.