

AN ACT concerning

Insurance - Maryland Insurance Acquisitions Disclosure
and Control Act

FOR the purpose of further regulating certain transactions among subsidiaries of an insurance holding company; providing that domestic insurers may invest in certain stocks, obligations and securities of subsidiaries subject to certain standards; providing that persons seeking to acquire a domestic insurer or persons controlling any domestic insurer shall disclose certain information with respect to such acquisition to the Insurance Commissioner; providing that certain acquisitions in which there is a change in control of an insurer licensed in Maryland be subject to the Commissioner's review; providing that the Commissioner shall disapprove certain acquisitions if the effect of any acquisition may substantially lessen competition in insurance in Maryland; providing standards of measuring competition; providing certain standards for exempting certain transactions from the Commissioner's review provided that certain information is filed with the Commissioner; providing that the Commissioner may retain at the acquiring person's expense certain experts to assist the Commissioner; providing that certain registration statements and summaries by certain insurers be filed annually to contain certain information; providing certain hearing procedures; providing the courts of the State with certain jurisdictions; providing certain penalties for failure to comply with the subtitle; providing certain standards for transactions by insurers with affiliates; providing that the Commissioner under certain circumstances may proceed to take possession of an insurer and conduct its business; providing that a receiver of a controlled insurer may recover certain unlawful or unreasonable distributions; defining certain terms; and generally relating to insurers and their relationship with affiliates, subsidiaries, and controlling persons.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 493(b), 494, 495, 496, 497(b), and 499
Annotated Code of Maryland
(1979 Replacement Volume and 1985 Supplement)

BY adding to

Article 48A - Insurance Code
Section 494A, 497(b-1), 500A, and 500B
Annotated Code of Maryland
(1979 Replacement Volume and 1985 Supplement)

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