

CHAPTER 199

(House Bill 322)

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