

WILLIAM DONALD SCHAEFER, Governor

from taxation under § 501(c)(7) of the Internal Revenue Code of 1954.

(3) "Charitable organization" means an organization, institution, association, society, or corporation that is exempt from taxation under § 501(c)(3) of the Internal Revenue Code of 1954.

(4) "Community association" means a nonprofit association, corporation, or other organization comprised of residents of a community, which is operated exclusively for the promotion of social welfare and general neighborhood improvement and enhancement.

(5) "Homeowners' association" means a nonprofit organization comprised of property owners in a subdivision or group of subdivisions whose purpose is to represent the mutual interest of the property owners regarding the construction, protection, and maintenance of the commonly owned or used property and improvements.

(6) "Public entity" means any political subdivision or unit of State or local government, including any nonprofit or nonstock corporation that is exempt from taxation under § 501(c)(3) or § 501(c)(4) of the Internal Revenue Code of 1954 and receives 50 percent or more of its annual operating budget from the State or local government.

(b) Public entities may pool together for the purpose of purchasing casualty or property insurance or self-insuring casualty or property risks.

(c) Athletic clubs, charitable organizations, community associations, and homeowners' associations may pool together for the purpose of purchasing casualty or property insurance.

(D) (1) IN THIS SUBSECTION, "LOCAL GOVERNMENT" MEANS:

(I) ANY MUNICIPAL CORPORATION SUBJECT TO THE PROVISIONS OF ARTICLE 23A OF THE CODE;

(II) ANY COUNTY SUBJECT TO THE PROVISIONS OF ARTICLE 25, ARTICLE 25A, OR ARTICLE 25B OF THE CODE; OR

(III) THE MAYOR AND CITY COUNCIL OF BALTIMORE.

(2) A LOCAL GOVERNMENT MAY ENTER INTO AN AGREEMENT TO CAPITALIZE OR OTHERWISE FUND AN INSURANCE POOL ESTABLISHED UNDER THIS SECTION.

(3) AN AGREEMENT AUTHORIZED BY PARAGRAPH (2) OF THIS SUBSECTION MAY HAVE SUCH PROVISIONS, TERMS, AND CONDITIONS, AND