

CHAPTER 582

(Senate Bill 483)

AN ACT concerning

Life Insurance -
Insurable Interest of Corporations in Employees

FOR the purpose of permitting ~~a corporation~~ certain corporations to purchase a life insurance policy on certain employees; and defining a certain term; requiring a corporation that purchases a life insurance policy on an employee to provide written notice--of--the--purchase--to--the--employee obtain written consent from the employee; and prohibiting any corporation from taking retaliatory action against an employee who refuses to consent to the purchase of the policy.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 366 ~~and 371(a)~~
Annotated Code of Maryland
(1986 Replacement Volume and 1988 Supplement)

BY repealing and reenacting, without amendments,

Article 48A - Insurance Code
Section 371(a)
Annotated Code of Maryland
(1986 Replacement Volume and 1988 Supplement)

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

Article 48A - Insurance Code

366.

(a) Any individual of competent legal capacity may procure or effect an insurance contract upon his own life or body for the benefit of any person. But no person shall procure or cause to be procured any insurance contract upon the life or body of another individual unless the benefits under such contract are payable to the individual insured or his personal representatives, or to a person having, at the time when such contract was made, an insurable interest in the individual insured.