

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

**Article 48A - Insurance Code**

[282.

(a) A reciprocal insurer may be authorized to engage in the insurance business, if it is otherwise in compliance with the applicable provisions of this article, and has surplus funds of not less than the amounts required by the provisions of § 48, if writing nonassessable policies, and § 253, if writing assessable policies.

(b) In addition to the surplus requirements of subsection (a) above, reciprocal insurers shall maintain a special surplus of not less than the amount required by § 49, if writing nonassessable policies, and § 253, if writing assessable policies.

(c) A reciprocal insurer may be authorized to engage in additional kinds of insurance business if it has otherwise complied with the provisions of this article and possesses and maintains surplus funds in amount equal to the minimum capital stock and surplus required of a stock insurer for authority to engage in a like combination of kinds of the insurance business.

(d) Reciprocal insurers shall be subject to the deposit requirements of § 50, if authorized to write nonassessable policies and § 253, if authorized to write assessable policies.]

282.

(A) A RECIPROCAL INSURER MAY BE AUTHORIZED TO ENGAGE IN THE INSURANCE BUSINESS IF THE INSURER IS OTHERWISE IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THIS ARTICLE AND HAS SURPLUS FUNDS OF NOT LESS THAN:

(1) FOR WRITING ASSESSABLE POLICIES:

(I) \$375,000 FOR ONE KIND OF INSURANCE; AND

(II) \$750,000 FOR TWO OR MORE KINDS OF INSURANCE; OR

(2) FOR WRITING NONASSESSABLE POLICIES:

(I) \$750,000 FOR ONE KIND OF INSURANCE; AND

(II) \$1,500,000 FOR TWO OR MORE KINDS OF INSURANCE.

(B) A RECIPROCAL INSURER AUTHORIZED TO WRITE NONASSESSABLE POLICIES IS ALSO SUBJECT TO THE DEPOSIT REQUIREMENTS OF § 50 OF THIS ARTICLE.