

Act, and if that downward adjustment in estimated revenues is not incorporated into a Supplemental Budget and enacted with the Annual Budget Bill for Fiscal Year 1995, this Act shall be null and void without the necessity of further action by the General Assembly.

Approved May 26, 1994.

CHAPTER 686
(House Bill 1514)

AN ACT concerning

Nonprofit Health Service Plans – Board of Directors – Contracts or Transactions with Board Members or Other Entities

FOR the purpose of repealing certain provisions regarding the ability of a nonprofit health service plan to contract or commence business with an entity under certain circumstances; ~~imposing certain statutory presumptions regarding the validity of a contract or transaction between a nonprofit health service plan and any of its board members or any other entity under certain circumstances; imposing a certain burden of proof on a person asserting the validity of a contract or transaction of a nonprofit health service plan under certain circumstances; making stylistic changes; applying certain laws concerning interested director transactions by corporate directors to boards of directors of nonprofit health service plans;~~ applying certain laws concerning interested director transactions by corporate directors to boards of directors of nonprofit health service plans; and generally relating to contracts and transactions of boards of directors of nonprofit health service plans.

BY repealing and reenacting, with amendments,

Article 48A – Insurance Code

Section 360A

Annotated Code of Maryland

(1991 Replacement Volume and 1993 Supplement)

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

Article 48A – Insurance Code

360A.

(a) (1) In this section the following words have the meanings indicated.

(2) [(i) “Beneficial interest” means ownership, through equity, debt, or other means, of any financial interest.

(ii) “Beneficial interest” does not include ownership, through equity, debt, or other means, of securities, including shares or bonds, debentures, or other debt instruments: