

Sincerely,
William Donald Schaefer
Governor

Senate Bill No. 840

AN ACT concerning

Group Life Insurance – Associations of Federal Employees

FOR the purpose of authorizing an association of federal employees to be issued a group life insurance policy under certain circumstances; making this Act an emergency measure; and generally relating to group life insurance and associations of federal employees.

BY repealing and reenacting, with amendments,

Article 48A – Insurance Code

Section 422(b)

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

422.

(b) The lives of a group of individuals may be insured under a policy issued to ANY ASSOCIATION OF FEDERAL EMPLOYEES, any association of State employees, or any association of State, county or city or town employees, which association shall be deemed the policyholder to insure the members of any such ASSOCIATION OF FEDERAL EMPLOYEES OR association of State, county, city or town employees for the benefit of persons other than the policyholder subject to the following requirements:

(1) The persons eligible for insurance under the policy shall be all the members of the association, or all of any class or classes thereof, determined by conditions pertaining to their employment or membership in the association, or both.

(2) The premium for the policy shall be paid by the policyholder, wholly from funds contributed by it as an association, or partly from such funds and partly from funds contributed by the insured members, or wholly from funds contributed by the insured members.

(3) A policy on which no part of the premium is to be derived from funds contributed by the insured members specifically for their insurance must insure all eligible members, or all except any as to whom evidence of individual insurability is not satisfactory to the insurer.