

SUBSECTION, MONEY MARKET FUNDS QUALIFYING FOR LISTING WITHIN THIS SUBSECTION MUST CONFORM TO THE PURPOSES AND PROCEDURES OF THE SECURITIES VALUATION OFFICE OR ANY SUCCESSOR PUBLICATION.

~~(Q) THE RESERVE INVESTMENTS OF A LIFE INSURER MAY INCLUDE OTHER OR ADDITIONAL INVESTMENTS AS MAY BE PERMITTED UNDER REGULATIONS ADOPTED BY THE COMMISSIONER.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2000.

Approved May 18, 2000.

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## CHAPTER 661

(House Bill 979)

AN ACT concerning

### Insurance - Regulation of Extraordinary Dividends and Distributions

FOR the purpose of altering the circumstances under which a dividend or distribution of cash or other property to shareholders by certain insurers is considered extraordinary; providing that certain insurers may not pay an extraordinary dividend or make an extraordinary distribution except under certain circumstances; clarifying that certain provisions regulating transactions within insurance holding company systems apply to certain insurers; defining a certain term; providing for the application of this Act; and generally relating to dividends and distributions by insurers.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 7-701 and 7-706

Annotated Code of Maryland

(1997 Volume and 1999 Supplement)

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

#### Article - Insurance

7-701.

(A) THIS SUBTITLE APPLIES TO INSURERS THAT ARE SUBJECT TO REGISTRATION UNDER SUBTITLE 6 OF THIS TITLE.

(B) This subtitle does not authorize an insurer that is a member of an insurance holding company system to enter into a transaction that otherwise would be contrary to law for an insurer that is not a member of the same insurance holding company system.