

company" to allow certain financial guaranty insurance companies to have a home or executive office outside the State under certain circumstances; and generally relating to financial guaranty insurance companies.

BY repealing and reenacting, with amendments,

Article - Insurance

Section 4-115

Annotated Code of Maryland

(1997 Volume and 2000 Supplement)

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

Article - Insurance

4-115.

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

(2) "Financial guaranty reinsurance company" means an insurer that derives at least 90% of its gross written premium from the business of financial guaranty reinsurance.

(3) "Financial guaranty insurance company" means an insurer[:

(i)] that derives at least 90% of its gross written premium from the business of financial guaranty insurance AND FINANCIAL GUARANTY REINSURANCE[; and

(ii) the claims-paying ability of which is rated in the highest possible category by at least one nationally recognized statistical rating organization].

(b) (1) Except as provided in paragraph (2) of this subsection, a domestic insurer may not move its home or executive office out of the State without notice to and approval by the Commissioner.

(2) A financial guaranty reinsurance company or financial guaranty insurance company that became domiciled in the State on or before December 31, 1993, is not required to have an office in the State.

(c) (1) A domestic insurer, including a reciprocal insurer, fraternal benefit society, or nonprofit health service plan, with its home or executive office in the State shall keep in the State:

(i) its general ledger accounting records; and

(ii) subject to subsection (d) of this section, all of its assets except:

1. real property lawfully owned by the insurer and located outside of the State, personal property appurtenant to the real property, or mortgages on the real property;