

BY repealingArticle – Labor and EmploymentSection 10–125(f)Annotated Code of Maryland(1999 Replacement Volume and 2002 Supplement)(As enacted by Section 1 of this Act)

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

Article – Labor and Employment

10–125.

(a) Except as provided in subsection (b) of this section, the Fund shall be:

(1) examined by the Commissioner in accordance with §§ 2–205 and 2–207 through 2–209 of the Insurance Article; and

(2) subject to the following provisions of the Insurance Article:

(i) Title 4, Subtitle 3 (Risk Based Capital Standards for Insurers) as provided in subsection (d) of this section;

(ii) Title 5, Subtitles 1, 2, 4, and 9 (Assets and Liabilities, Reserves, Valuation of Assets and Reinsurance);

(iii) Title 9 (Impaired Entities); and

(iv) §§ 3–124 (Bulk Reinsurance – Stock Insurers), 4–115 (Home Office; Location of Accounting Records and Assets), 4–116 (Annual and Interim Statements; Audited Financial Reports), and 4–118 (Qualified Independent Certified Public Accountants).

(b) (1) The Commissioner may not take any action to enforce any provision of the Insurance Article to which the Fund is subject under subsection (a) of this section except:

(i) the Commissioner may issue an order under Title 9 (Impaired Entities) of the Insurance Article; and

(ii) the Commissioner may take action authorized under §§ 4–305, 4–306, 4–307, and 4–308 of the Insurance Article relating to risk based capital standards for insurers.

(2) Any order issued under this subsection:

(i) may not include a requirement that the Fund increase rates; and

(ii) shall be subject to Title 2, Subtitle 2, of the Insurance Article.