

Sincerely,  
William Donald Schaefer  
Governor

**Senate Bill No. 218**

AN ACT concerning

**Insurance – Broker Controlled Insurers**

FOR the purpose of prohibiting brokers from placing certain business with certain insurers under certain circumstances; requiring certain disclosures; providing for certain penalties; providing for periodic reports and certifications by independent casualty actuaries; providing for certain annual reports to the Commissioner; prohibiting certain reinsurance intermediaries from placing business with insurers under certain circumstances; providing for hearing and appeal procedures; defining certain terms; and generally relating to ~~insurance placed with~~ the regulation of broker controlled insurers.

BY adding to

Article 48A – Insurance Code

Section 670 through 673, inclusive, to be under the new subtitle “Subtitle 51.  
Broker Controlled Business”

Annotated Code of Maryland

(1986 Replacement Volume and 1990 Supplement)

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

**Article 48A – Insurance Code**

**SUBTITLE 51. BROKER CONTROLLED BUSINESS**

670.

(A) IN THIS SUBTITLE THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(B) “REINSURANCE INTERMEDIARY” MEANS ANY PERSON WHO ACTS AS A BROKER IN:

(1) SOLICITING, NEGOTIATING, OR PROCURING THE MAKING OF ANY REINSURANCE CONTRACT OR BINDER ON BEHALF OF A CEDING INSURER; OR