

**CHAPTER 211**

**(Senate Bill 14)**

AN ACT concerning

**Life Insurance – ~~Charitable~~ Institutions and Trusts**

FOR the purpose of permitting a certain charitable, benevolent, educational, governmental, or religious ~~institution or a trust for the institution~~ institutions or trusts for certain institutions to procure life insurance on an individual under certain circumstances; defining certain terms; providing for the application of this Act; and generally relating to life insurance.

BY repealing and reenacting, with amendments,  
Article 48A – Insurance Code  
Section 366(a)  
Annotated Code of Maryland  
(1991 Replacement Volume and 1991 Supplement)

BY adding to  
Article 48A – Insurance Code  
Section 366(d)  
Annotated Code of Maryland  
(1991 Replacement Volume and 1991 Supplement)

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

**Article 48A – Insurance Code**

366.

- (a) (1) Any individual of competent legal capacity may procure or effect an insurance contract upon his own life or body for the benefit of any person.
- (2) [But] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, no person shall procure or cause to be procured any insurance contract upon the life or body of another individual unless the benefits under such contract are payable to the individual insured or his personal representatives, or to a person having, at the time when such contract was made, an insurable interest in the individual insured.

(D) (1) A CHARITABLE, BENEVOLENT, EDUCATIONAL, GOVERNMENTAL, OR RELIGIOUS INSTITUTION THAT IS DESCRIBED IN § 501(C)(3) OR § 170(B)(1)(A) OF THE INTERNAL REVENUE CODE OR A TRUST FOR THE BENEFIT OF THE INSTITUTION THAT IS QUALIFIED AS A