## **SENATE BILL 226**

C4, P3 1lr0039 (PRE–FILED)

# By: Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)

Requested: September 29, 2020

Introduced and read first time: January 13, 2021

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 5, 2021

CHAPTER

### 1 AN ACT concerning

## 2 Maryland Insurance Administration – Delivery of Notices and Other 3 Communications by Electronic Means

4 FOR the purpose of authorizing the Maryland Insurance Commissioner to send certain notices and communications by electronic means under certain circumstances; 5 6 authorizing, under certain circumstances, a certain person to send to the 7 Commissioner certain notices and communications by electronic means approved by 8 the Commissioner; prohibiting, under certain circumstances, the Commissioner from 9 requiring a certain person to send to the Commissioner certain notices and communications by electronic means; authorizing the Commissioner to require 10 certain persons to send certain notices and communications by electronic means; 11 providing, subject to certain provisions of law, that certain notices and 12 communications are to be presumed to have been received in the ordinary course; 13 making conforming and stylistic changes; and generally relating to the Maryland 14 15 Insurance Administration and the delivery of notices and other communications.

16 BY adding to

17 Article – Insurance

18 Section 2–116

19 Annotated Code of Maryland

20 (2017 Replacement Volume and 2020 Supplement)

21 BY repealing and reenacting, with amendments,

#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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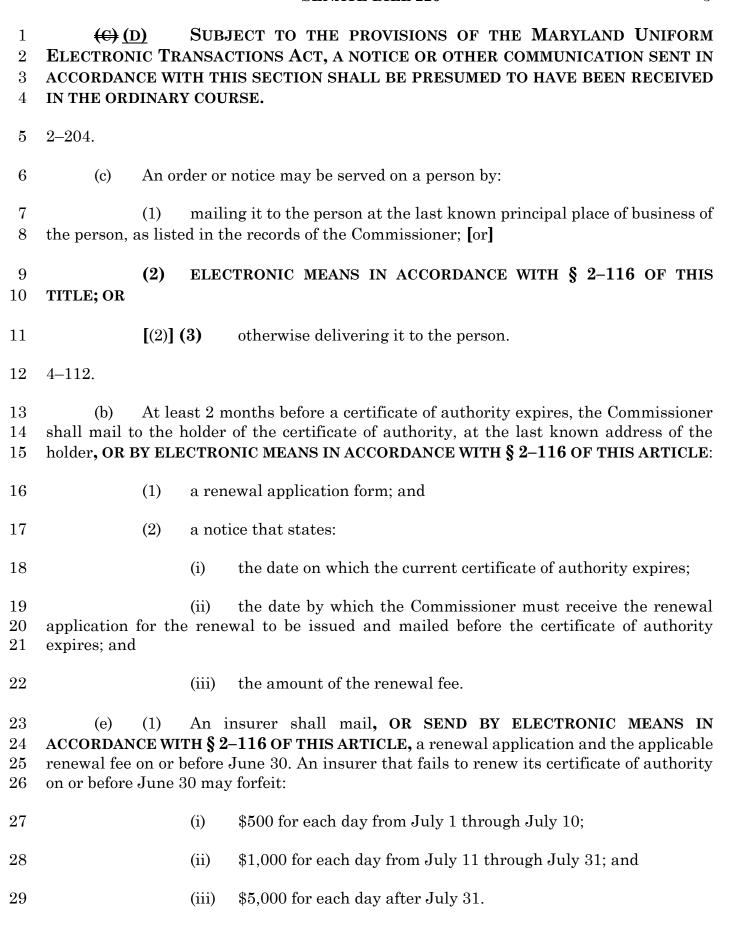
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1 2 3 4 5 6	Article – Insurance Section 2–204(c), 4–112(b) and (e)(1), 6–109(b)(1) and (c)(2) and (3), 6–113, 8–423(b) 8–509(b), 9–225(e)(1) and (2), 10–121(m), 10–213, 13–116(b)(2), and 27–704(a)(1) Annotated Code of Maryland (2017 Replacement Volume and 2020 Supplement)
7 8	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND That the Laws of Maryland read as follows:
9	Article - Insurance
10	2–116.
11 12	(A) THE COMMISSIONER MAY SEND A NOTICE OR OTHER COMMUNICATION BY ELECTRONIC MEANS IF:
13 14 15	(1) THE COMMISSIONER IS REQUIRED TO DELIVER, GIVE, MAIL SERVE, OR OTHERWISE PROVIDE THE NOTICE OR OTHER COMMUNICATION IN WRITING;
16 17	(2) THE RECIPIENT HAS PROVIDED AN E-MAIL ADDRESS TO THE COMMISSIONER TO RECEIVE NOTICES OR OTHER COMMUNICATIONS;
18 19	(3) THE NOTICE OR OTHER COMMUNICATION IS SENT TO THE E-MAIL ADDRESS PROVIDED BY THE RECIPIENT; AND
20 21	(4) THE COMMISSIONER MAINTAINS PROOF THAT THE NOTICE WAS SENT TO THE RECIPIENT AT THE RECIPIENT'S E-MAIL ADDRESS.
22 23 24	(B) IF A PERSON IS REQUIRED TO SEND THE COMMISSIONER A NOTICE OF OTHER COMMUNICATION, AND THE PERSON IS NOT LICENSED, CERTIFIED, OR OTHERWISE REGULATED BY THE COMMISSIONER:
25 26	(1) THE PERSON MAY SEND THE NOTICE OR OTHER COMMUNICATION BY ELECTRONIC MEANS APPROVED BY THE COMMISSIONER; AND
27 28	(2) THE COMMISSIONER MAY NOT REQUIRE THE PERSON TO SEND THE NOTICE OR OTHER COMMUNICATION BY ELECTRONIC MEANS.

(C) THE COMMISSIONER MAY REQUIRE A PERSON WHO IS LICENSED,

CERTIFIED, OR OTHERWISE REGULATED BY THE COMMISSIONER TO SEND A NOTICE

OR OTHER COMMUNICATION BY ELECTRONIC MEANS.



1 6-109.2 If the amount of tax computed by the Commissioner is greater than the (1) 3 amount shown on the report, the Commissioner shall: 4 (i) assess the excess amount; and 5 mail, OR SEND BY ELECTRONIC MEANS IN ACCORDANCE 6 WITH § 2-116 OF THIS ARTICLE, notice of the assessment to the person that filed the 7 report. 8 (c) (2)The Commissioner shall mail, OR SEND BY ELECTRONIC MEANS IN 9 ACCORDANCE WITH § 2–116 OF THIS ARTICLE, notice of the assessment to the person 10 at: 11 its mailing OR E-MAIL address, if it has a mailing OR E-MAIL (i) 12 address on file with the Commissioner; or 13 any other address of the person that appears on the records of (ii) the Commissioner, if there is no mailing OR E-MAIL address on file with the Commissioner. 14 15 If the person does not file the report within 15 days after the notice of (3)assessment is mailed OR SENT ELECTRONICALLY: 16 17 (i) the assessment is final; and 18 (ii) the amount of tax due on the assessment, including penalties and interest, shall be collected as other taxes are collected. 19 20 6-113.21A declaration or report that must be filed under this subtitle complies with the filing requirement if the declaration or report is: 22 23mailed and postmarked by the United States Postal Service on or before (1) the filing date; [or] 2425(2) delivered on or before the filing date to a private delivery service 26 recognized by the Commissioner, if the delivery is evidenced by a receipt; OR

SENT BY ELECTRONIC MEANS IN ACCORDANCE WITH § 2–116 OF

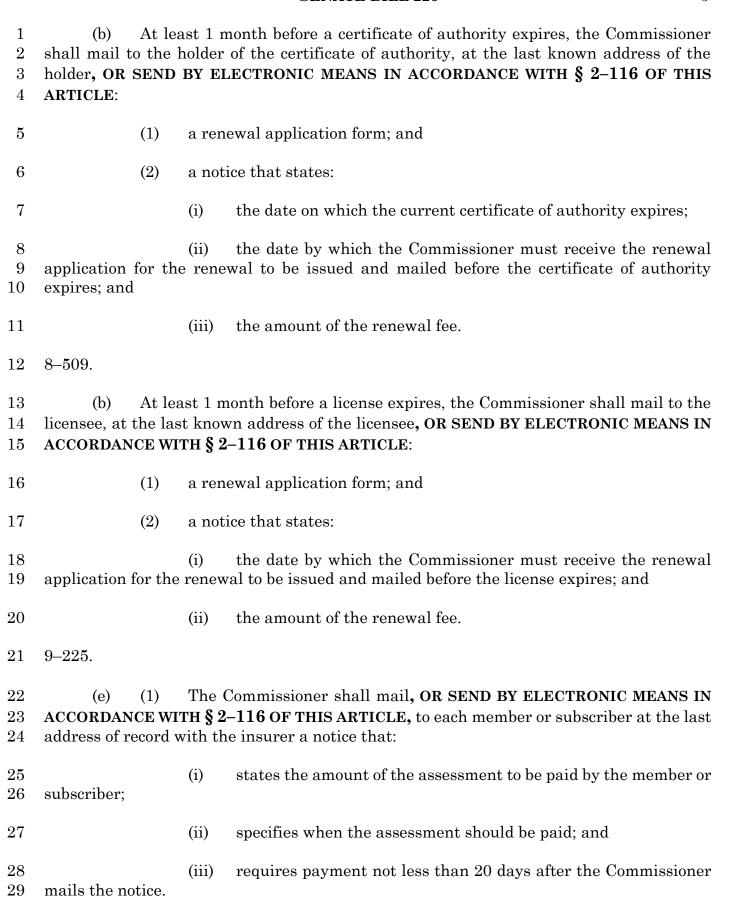
29 8–423.

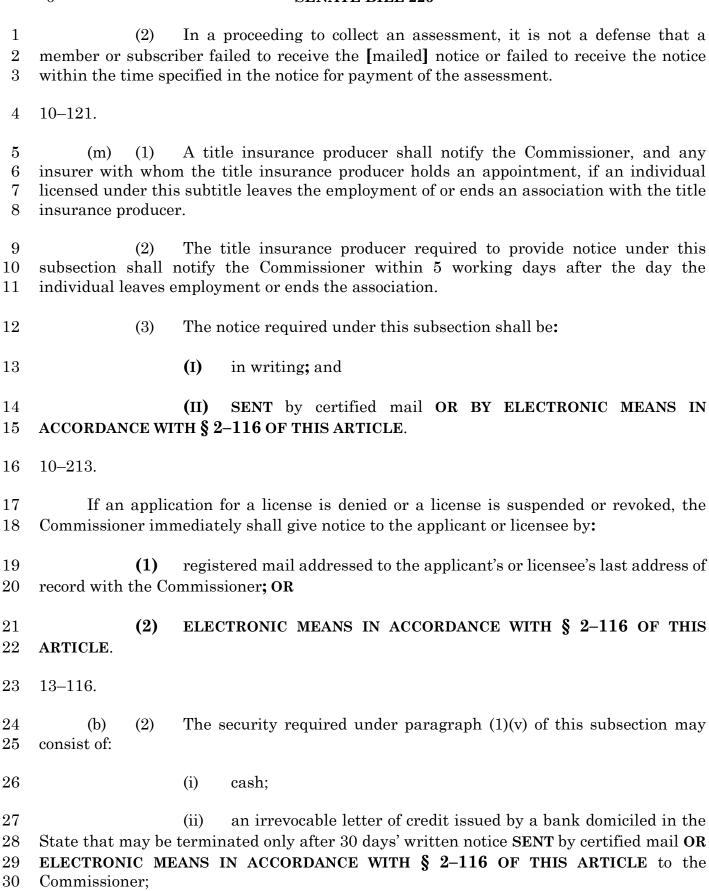
**(3)** 

THIS ARTICLE.

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1 2 3	(iii) obligations, valued at the lower of market value or par value, that are general obligations of, or obligations guaranteed by, the federal government, the State or a political subdivision of the State; or
4 5	(iv) any other type of security that would be acceptable to the Commissioner if posted by a domestic insurer or foreign insurer.
6	27–704.
7 8 9 10 11	(a) (1) If the Commissioner has reason to believe that an unauthorized foreign insurer or unauthorized alien insurer is engaging in unlawful advertising in violation of § 27–703 of this subtitle, the Commissioner shall give notice of the violation by certified mail OR BY ELECTRONIC MEANS IN ACCORDANCE WITH § 2–116 OF THIS ARTICLE, to the insurer and the insurance supervisory official of the domiciliary state of the insurer.
12 13	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2021.
	Approved:
	Governor.
	President of the Senate.
	Speaker of the House of Delegates.