

SENATE BILL 139

C4, J5

(PRE-FILED)

6lr0041

CF HB 277

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

Requested: September 25, 2025

Introduced and read first time: January 14, 2026

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

Insurance – Third Party Administrators – Enforcement

3 FOR the purpose of altering the grounds on which the Maryland Insurance Commissioner
4 may deny an applicant for registration as or refuse to renew, suspend, or revoke the
5 registration of a third party administrator; altering the violations for which the
6 Commissioner may impose civil penalties against a third party administrator; and
7 generally relating to third party administrators.

8 BY repealing and reenacting, with amendments,

Article – Insurance

10 Section 8-309(a) and 8-320(c)

11 Annotated Code of Maryland

12 (2017 Replacement Volume and 2025 Supplement)

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

15 Article – Insurance

16 8-309.

20 (1) makes a material misstatement in an application for registration;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(3) has been convicted of a felony or of a misdemeanor involving moral turpitude;

3 (4) in connection with the administration of a plan or with activities on
4 behalf of a life insurer, commits fraud or engages in illegal or dishonest activities; [or]

10 8-320.

19 (i) the seriousness of the violation;

20 (ii) the good faith of the violator;

21 (iii) the violator's history of previous violations;

22 (iv) the deleterious effect of the violation on the plan and its
23 participants and beneficiaries;

24 (v) the assets of the violator; and

25 (vi) any other factors that relate to the determination of a financial
26 penalty.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 October 1, 2026.