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**By: Delegates Pitkin, Grosfeld, Bobo, Brinkley, Cadden, Conroy, DeCarlo, Dypski, Eckardt, Exum, Frank, Healey, Howard, Hubbard, Hurson, Kach, Kagan, Love, Marriott, Menes, Minnick, Nathan-Pulliam, Parker, Pendergrass, Perry, Petzold, Turner, and Walkup**

Introduced and read first time: January 30, 1997

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Insurance Reform - Application to Self-Employed Individuals**

3 FOR the purpose of altering the definition of self-employment under the Maryland  
4 Health Insurance Reform Act to include an individual whose income is derived  
5 from self-employment regardless of how the individual's business is organized.

6 BY repealing and reenacting, with amendments,  
7 Article - Insurance  
8 Section 15-1203(c)  
9 Annotated Code of Maryland  
10 (1995 Volume and 1996 Supplement)  
11 (As enacted by Chapter \_\_\_\_\_ (H. B. 11) of the Acts of the General Assembly of 1997)

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

14 **Article - Insurance**

15 15-1203.

16 (c) An individual is considered a small employer under this subtitle if the  
17 individual is a self-employed individual [or] ORGANIZED AS A sole proprietorship OR  
18 IN ANY OTHER MANNER THAT A SELF-EMPLOYED INDIVIDUAL MAY ORGANIZE:

19 (1) a substantial part of whose income derives from a trade or business  
20 through which the individual has attempted to earn taxable income;

21 (2) who has filed the appropriate Internal Revenue [Form 1040, Schedule  
22 C or F,] FORM for the previous taxable year; and

23 (3) for whom a copy of the Internal Revenue form has been filed with the  
24 carrier as proof of employment.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
26 October 1, 1997.