

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 568 (Senator Madden, *et al.*)
Finance

Referred to Economic Matters

Insurance - Fraternal Benefit Societies - Exempted Societies

This amended bill exempts from the insurance laws of Maryland an order, society, or association that (1) offers individual health insurance policies in this State only to members of the Mennonite Church and their families; (2) was formed as a fraternal benefit society under the laws of Indiana prior to January 1, 1996 for the purpose of providing mutual aid in affiliation with the Mennonite Church; and (3) is registered as a foreign corporation.

Fiscal Summary

State Effect: Reduction in general fund revenues of \$500 per year from fees collected by the Maryland Insurance Administration (MIA). Expenditures would not be affected.

Local Effect: None.

Small Business Effect: None. Of the 34 fraternal benefit societies licensed to operate in Maryland, it is assumed that none is a small business.

Fiscal Analysis

State Revenues: It is assumed that only one fraternal benefit society would be exempt from the insurance laws of Maryland as a result of the bill. Based on the annual \$500 certificate of authority currently held by each society, general fund revenues would decrease by \$500 per year.

Information Source(s): Maryland Insurance Administration, Department of Fiscal Services

Fiscal Note History: First Reader - February 25, 1997

lc Revised - Senate Third Reader - March 21, 1997

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