

SENATE BILL 164

Unofficial Copy
C3

1998 Regular Session
(8r1214)

ENROLLED BILL
-- Finance/Economic Matters --

Introduced by **Senator Trotter**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Life Insurance - Public Entities - Authority to Pool**

3 FOR the purpose of authorizing certain public entities to pool together to purchase
4 life insurance or to self-insure against life risks; defining a certain term;
5 ~~making stylistic changes~~; and generally relating to the authority of public
6 entities to pool together for life insurance.

7 BY adding to
8 Article - Insurance
9 Section ~~15-124~~ and 16-116
10 Annotated Code of Maryland
11 (1997 Volume)

12 ~~BY repealing and reenacting, with amendments,~~
13 ~~Article - Insurance~~
14 ~~Section 19-602~~

1 Annotated Code of Maryland
2 (~~1997 Volume~~)

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

5 **Article - Insurance**

6 ~~15-124.~~

7 (A) ~~IN THIS SECTION, "PUBLIC ENTITY" MEANS:~~

8 (1) ~~A POLITICAL SUBDIVISION OF THE STATE;~~

9 (2) ~~A UNIT OF THE STATE OR A LOCAL GOVERNMENT; OR~~

10 (3) ~~A NONPROFIT OR NONSTOCK CORPORATION THAT:~~

11 (I) ~~RECEIVES 50% OR MORE OF ITS ANNUAL OPERATING BUDGET~~
12 ~~FROM THE STATE OR A LOCAL GOVERNMENT; AND~~

13 (II) ~~IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE~~
14 ~~INTERNAL REVENUE CODE.~~

15 (B) ~~PUBLIC ENTITIES MAY POOL TOGETHER TO PURCHASE HEALTH~~
16 ~~INSURANCE OR TO SELF-INSURE AGAINST HEALTH RISKS.~~

17 ~~16-116.~~

18 (A) ~~IN THIS SECTION, "PUBLIC ENTITY" MEANS:~~

19 (1) ~~A POLITICAL SUBDIVISION OF THE STATE;~~

20 (2) ~~A UNIT OF THE STATE OR A LOCAL GOVERNMENT; OR~~

21 (3) ~~A NONPROFIT OR NONSTOCK CORPORATION THAT:~~

22 (I) ~~RECEIVES 50% OR MORE OF ITS ANNUAL OPERATING BUDGET~~
23 ~~FROM THE STATE OR A LOCAL GOVERNMENT; AND~~

24 (II) ~~IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OR (4) OF THE~~
25 ~~INTERNAL REVENUE CODE.~~

26 (B) ~~PUBLIC ENTITIES MAY POOL TOGETHER TO PURCHASE LIFE INSURANCE~~
27 ~~OR TO SELF-INSURE AGAINST LIFE RISKS.~~

28 ~~19-602.~~

29 (a) ~~In this section, "public entity" means:~~

30 (1) ~~a political subdivision of the State;~~

1 (2) ~~a unit of the State or a local government; or~~

2 (3) ~~a nonprofit or nonstock corporation that:~~

3 (i) ~~receives 50% or more of its annual operating budget from the~~
4 ~~State or a local government; and~~

5 (ii) ~~is exempt from taxation under § 501(c)(3) or (4) of the Internal~~
6 ~~Revenue Code.~~

7 (b) ~~Public entities may pool together to purchase casualty insurance[,] OR~~
8 ~~property insurance [, or health insurance] or to self insure against casualty[,] OR~~
9 ~~property [, or health] risks.~~

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 1998.