

SENATE BILL 199

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C4

1998 Regular Session  
8r1437  
CF 8r1578

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By: **Senator Astle**

Introduced and read first time: January 28, 1998

Assigned to: Finance

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A BILL ENTITLED

1 AN ACT concerning

2 **Insurance Fraud Prevention Fee - Exemptions - Fraternal Benefit Societies**

3 FOR the purpose of exempting fraternal benefit societies from the collection of a  
4 certain fraud prevention fee by the Maryland Insurance Commissioner;  
5 exempting fraternal benefit society agents from the collection of a certain fraud  
6 prevention fee by the Commissioner; and generally relating to exempting  
7 fraternal benefit societies from the insurance fraud prevention fee.

8 BY repealing and reenacting, with amendments,  
9 Article - Insurance  
10 Section 6-203 and 8-403(b)  
11 Annotated Code of Maryland  
12 (1997 Volume)

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

15 **Article - Insurance**

16 6-203.

17 (a) For each insurer, health maintenance organization, nonprofit health  
18 service plan, [fraternal benefit society,] or any entity operating in the State under  
19 the regulatory jurisdiction of the Commissioner other than a premium finance  
20 company, FRATERNAL BENEFIT SOCIETY, or motor club, the fraud prevention fee  
21 shall be:

22 (1) \$1,000;

23 (2) due on or before June 30 of each year; and

24 (3) if applicable, payable with the certificate of authority or license  
25 renewal fee.

1 (b) For each agent, broker, public adjuster, insurance adviser, [fraternal  
2 benefit society agent,] or third party administrator qualified, licensed, or registered  
3 by the Commissioner, the fraud prevention fee shall be:

4 (1) \$15;

5 (2) due on or before June 30 of every other year; and

6 (3) if applicable, payable with the certificate of qualification, license, or  
7 registration renewal fee.

8 (c) Any person that has more than one of the certificates of qualification,  
9 licenses, or registrations listed in subsection (b) of this section shall pay the \$15 fraud  
10 prevention fee only once per renewal period.

11 8-403.

12 (b) (1) In addition to the provisions of this subtitle, the following provisions  
13 of this article apply to societies to the extent not in conflict with the express  
14 provisions and reasonable implications of this subtitle:

15 (i) Title 1 of this article;

16 (ii) Title 2, Subtitle 1 of this article, including § 2-112 of this  
17 article;

18 (iii) Title 2, Subtitle 2 of this article;

19 (iv) § 3-117 of this article;

20 (v) § 3-127 of this article;

21 (vi) § 4-102(b) of this article;

22 (vii) § 4-113(a)(7), (8), and (9) of this article;

23 (viii) § 4-203 of this article;

24 (ix) § 4-204 of this article;

25 (x) § 5-103 of this article;

26 (xi) § 5-201 of this article;

27 (xii) [Title 6, Subtitle 2 of this article;

28 (xiii)] Title 9, Subtitle 2 of this article;

29 [(xiv)] (XIII) § 10-120 of this article;

30 [(xv)] (XIV) Title 15, Subtitle 9 of this article;

1                    [(xvi)] (XV)      Title 27 of this article; and

2                    [(xvii)] (XVI)    § 1-301 of this article.

3                    (2)            In addition to the provisions of this subtitle, societies are subject to  
4 the provisions of Title 13, Subtitle 5 of the Estates and Trusts Article.

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