

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 85 (Chairman, Economic Matters Committee)
(Departmental - Insurance Administration)

Economic Matters

Insurers - Mandatory Control Level Event - Delay of Action

This departmental bill specifies that the Insurance Commissioner, in the case of a property and casualty insurer, may delay required action for up to 90 days after the occurrence of a “mandatory control level event” if there is a reasonable expectation that the mandatory control level event may be eliminated within the 90-day period.

Under current law, required action may only be delayed in the case of a life insurer. A mandatory control level event occurs when an insurer files a risk based capital (RBC) report that indicates that the insurer has total adjusted capital that is less than its mandatory control level RBC.

Fiscal Summary

State Effect: None. The bill clarifies current law by correcting a cross-reference.

Local Effect: None.

Small Business Effect: MIA has determined that this bill will have minimal or no economic impact on small businesses (attached). Legislative Services concurs with this assessment.

Information Source(s): Maryland Insurance Administration

Fiscal Note History: First Reader - January 19, 1998
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