

HOUSE BILL 177

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C4

1999 Regular Session  
9lr0865

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By: **Delegates Goldwater and Mandel and Delegates Taylor, Hurson, Hixson, Busch, Rawlings, Kopp, Bronrott, Kagan, Love, Eckardt, Barve, Morhaim, Cadden, Rosenberg, Gordon, Finifter, Cryor, Barkley, Stern, Pitkin, Doory, Guns, Zirkin, and Dembrow**

Introduced and read first time: January 29, 1999

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Holocaust Victims - Inheritance Tax and Income Tax - Insurance Policies**

3 FOR the purpose of excluding from the inheritance tax certain assets or compensation  
4 for certain assets of Holocaust victims that were seized, misappropriated, or lost  
5 due to the actions or policies of Nazi Germany and certain payments or  
6 distributions to Holocaust victims or their spouses or descendants; providing a  
7 subtraction modification under the Maryland individual income tax for certain  
8 amounts included in federal adjusted gross income for income related to certain  
9 assets of Holocaust victims that were seized, misappropriated, or lost due to the  
10 actions or policies of Nazi Germany and for certain payments or distributions to  
11 Holocaust victims or their spouses or descendants; requiring the Insurance  
12 Commissioner to arrange for a certain toll-free telephone number to assist  
13 persons seeking to recover certain insurance proceeds of Holocaust victims;  
14 requiring certain insurers in receipt of certain claims of Holocaust victims to  
15 handle those claims in a certain manner; establishing certain rights of action for  
16 Holocaust victims seeking proceeds of certain insurance policies; requiring  
17 certain insurers to file with the Commissioner within certain time periods  
18 certain reports relating to certain insurance policies issued to Holocaust victims;  
19 establishing certain penalties for certain violations; requiring the Commissioner  
20 to report to the Governor and General Assembly in a certain manner;  
21 establishing certain exemptions to the filing requirements of this Act; defining  
22 certain terms; providing for the application of certain provisions of this Act; and  
23 generally relating to the taxation of distributions or payments made to  
24 Holocaust victims and to the recovery of proceeds from insurance policies issued  
25 to or covering the lives or property of Holocaust victims.

26 BY adding to

27 Article - Tax - General

28 Section 7-203(l) and 10-207(t)

29 Annotated Code of Maryland

30 (1997 Replacement Volume and 1998 Supplement)

1 BY repealing and reenacting, without amendments,  
2 Article - Tax - General  
3 Section 10-207(a)  
4 Annotated Code of Maryland  
5 (1997 Replacement Volume and 1998 Supplement)

6 BY adding to  
7 Article - Insurance  
8 Section 28-101 through 28-111, inclusive, to be under the new title "Title 28.  
9 Holocaust Victims Insurance Act"  
10 Annotated Code of Maryland  
11 (1997 Volume and 1998 Supplement)

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

14 **Article - Tax - General**

15 7-203.

16 (L) (1) IN THIS SUBSECTION, "HOLOCAUST VICTIM" MEANS AN INDIVIDUAL  
17 WHO DIED OR LOST PROPERTY AS A RESULT OF DISCRIMINATORY LAWS, POLICIES,  
18 OR ACTIONS TARGETED AGAINST DISCRETE GROUPS OF INDIVIDUALS BASED ON  
19 RACE, RELIGION, ETHNICITY, SEXUAL ORIENTATION, OR NATIONAL ORIGIN,  
20 WHETHER OR NOT THE INDIVIDUAL WAS ACTUALLY A MEMBER OF ANY OF THOSE  
21 GROUPS, OR BECAUSE THE INDIVIDUAL ASSISTED OR ALLEGEDLY ASSISTED ANY OF  
22 THOSE GROUPS, BETWEEN JANUARY 1, 1929 AND DECEMBER 31, 1945, IN THE  
23 COUNTRY OF NAZI GERMANY, AREAS OCCUPIED BY NAZI GERMANY, THOSE  
24 EUROPEAN COUNTRIES ALLIED WITH NAZI GERMANY, AREAS OCCUPIED BY THOSE  
25 EUROPEAN COUNTRIES ALLIED WITH NAZI GERMANY, OR ANY OTHER NEUTRAL  
26 EUROPEAN COUNTRY OR AREA IN EUROPE UNDER THE INFLUENCE OR THREAT OF  
27 INVASION BY NAZI GERMANY OR BY ANY EUROPEAN COUNTRY ALLIED WITH OR  
28 OCCUPIED BY NAZI GERMANY.

29 (2) THE INHERITANCE TAX DOES NOT APPLY TO THE RECEIPT OF  
30 PROPERTY THAT IS:

31 (I) TANGIBLE OR INTANGIBLE PROPERTY OR COMPENSATION FOR  
32 TANGIBLE OR INTANGIBLE PROPERTY THAT WAS SEIZED, MISAPPROPRIATED, OR  
33 LOST AS A RESULT OF THE ACTIONS OR POLICIES OF NAZI GERMANY TOWARD A  
34 HOLOCAUST VICTIM; OR

35 (II) AMOUNTS RECEIVED BY A DECEDENT AS REPARATIONS OR  
36 RESTITUTION FOR THE LOSS OF LIBERTY OR DAMAGE TO THE HEALTH OF THE  
37 DECEDENT BECAUSE THE DECEDENT WAS:

38 1. A HOLOCAUST VICTIM; OR



1 (I) INCOME OF AN INDIVIDUAL RELATED TO TANGIBLE OR  
2 INTANGIBLE PROPERTY THAT WAS SEIZED, MISAPPROPRIATED, OR LOST AS A  
3 RESULT OF THE ACTIONS OR POLICIES OF NAZI GERMANY TOWARD A HOLOCAUST  
4 VICTIM; AND

5 (II) AMOUNTS RECEIVED BY AN INDIVIDUAL AS REPARATIONS OR  
6 RESTITUTION FOR THE LOSS OF LIBERTY OR DAMAGE TO THE HEALTH OF THE  
7 INDIVIDUAL BECAUSE THE INDIVIDUAL IS:

8 1. A HOLOCAUST VICTIM; OR

9 2. A SPOUSE OR DESCENDANT OF A HOLOCAUST VICTIM.

10 (3) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION  
11 INCLUDES INTEREST ON THE PROCEEDS RECEIVABLE AS INSURANCE UNDER  
12 POLICIES ISSUED TO A HOLOCAUST VICTIM BY EUROPEAN INSURANCE COMPANIES  
13 PRIOR TO AND DURING WORLD WAR II.

14 (4) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION  
15 DOES NOT INCLUDE:

16 (I) ASSETS ACQUIRED WITH THE ASSETS DESCRIBED IN  
17 PARAGRAPH (2) OF THIS SUBSECTION; OR

18 (II) ASSETS ACQUIRED WITH THE PROCEEDS FROM THE SALE OF  
19 THE ASSETS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.

20 (5) THE SUBTRACTION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION  
21 SHALL ONLY APPLY IF THE INDIVIDUAL:

22 (I) IS THE FIRST RECIPIENT OF THE ASSETS DESCRIBED IN  
23 PARAGRAPH (2)(I) OF THIS SUBSECTION AFTER THEIR RECOVERY; AND

24 (II) IS:

25 1. A HOLOCAUST VICTIM; OR

26 2. A SPOUSE OR DESCENDANT OF A HOLOCAUST VICTIM.

27 **Article - Insurance**

28 TITLE 28. HOLOCAUST VICTIMS INSURANCE ACT.

29 28-101.

30 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

31 (B) "HOLOCAUST VICTIM" MEANS AN INDIVIDUAL, CLAIMANT, OR THE  
32 ESTATE, HEIR, LEGATEE, DESCENDANT, SURVIVOR, BENEFICIARY, OR OTHER  
33 SUCCESSOR-IN-INTEREST OF THE INDIVIDUAL, WHO DIED OR LOST PROPERTY AS A

1 RESULT OF DISCRIMINATORY LAWS, POLICIES, OR ACTIONS TARGETED AGAINST  
2 DISCRETE GROUPS OF INDIVIDUALS BASED ON RACE, RELIGION, ETHNICITY, SEXUAL  
3 ORIENTATION, OR NATIONAL ORIGIN, WHETHER OR NOT THE INDIVIDUAL WAS  
4 ACTUALLY A MEMBER OF ANY OF THOSE GROUPS, OR BECAUSE THE INDIVIDUAL  
5 ASSISTED OR ALLEGEDLY ASSISTED ANY OF THOSE GROUPS, BETWEEN JANUARY 1,  
6 1929, AND DECEMBER 31, 1945, IN AREAS UNDER NAZI INFLUENCE.

7 (C) (1) "INSURANCE POLICY" MEANS A POLICY OF INSURANCE  
8 SUBSTANTIALLY SIMILAR TO ANY KIND OF INSURANCE THAT WAS AUTHORIZED AT  
9 ANY TIME IN MARYLAND BETWEEN AND INCLUDING THE YEARS 1929 AND 1945 OR  
10 AUTHORIZED BY THE JURISDICTION IN WHICH THE POLICY WAS SOLD AT THE TIME  
11 IT WAS SOLD.

12 (2) "INSURANCE POLICY" INCLUDES ANY FORM OF LIFE, ACCIDENT,  
13 HEALTH, ANNUITIES, PROPERTY, CASUALTY, EDUCATION, OR DOWRY INSURANCE.

14 (D) "PROCEEDS" MEANS THE FACE OR OTHER PAY-OUT VALUE OF AN  
15 INSURANCE POLICY OR ANNUITY PLUS REASONABLE INTEREST TO DATE OF  
16 PAYMENT AS REQUIRED BY REGULATIONS ADOPTED BY THE COMMISSIONER.

17 (E) "AREAS UNDER NAZI INFLUENCE" MEANS THE COUNTRY OF NAZI  
18 GERMANY, AREAS OCCUPIED BY NAZI GERMANY, THOSE EUROPEAN COUNTRIES  
19 ALLIED WITH NAZI GERMANY, AREAS OCCUPIED BY THOSE EUROPEAN COUNTRIES  
20 ALLIED WITH NAZI GERMANY, OR ANY OTHER NEUTRAL EUROPEAN COUNTRY OR  
21 AREA IN EUROPE UNDER THE INFLUENCE OR THREAT OF INVASION BY NAZI  
22 GERMANY OR BY ANY EUROPEAN COUNTRY ALLIED WITH OR OCCUPIED BY NAZI  
23 GERMANY.

24 28-102.

25 THE COMMISSIONER SHALL ARRANGE FOR A TOLL-FREE TELEPHONE NUMBER,  
26 AVAILABLE IN ENGLISH AS WELL AS OTHER APPROPRIATE LANGUAGES, TO ASSIST  
27 ANY PERSON SEEKING TO RECOVER PROCEEDS FROM AN INSURANCE POLICY  
28 ISSUED TO OR COVERING THE LIFE OR PROPERTY OF A HOLOCAUST VICTIM.

29 28-103.

30 (A) NOTWITHSTANDING ANY INCONSISTENT PROVISION OF THIS TITLE, ANY  
31 INSURER AUTHORIZED TO DO INSURANCE BUSINESS IN THE STATE, IN RECEIPT OF A  
32 CLAIM AGAINST IT ARISING FROM AN OCCURRENCE DURING THE PERIOD BETWEEN  
33 JANUARY 1, 1929, AND DECEMBER 31, 1945, FROM AN INDIVIDUAL THAT THE INSURER  
34 KNOWS, OR REASONABLY SHOULD HAVE KNOWN, IS A HOLOCAUST VICTIM SHALL:

35 (1) DILIGENTLY AND EXPEDITIOUSLY INVESTIGATE THE CLAIM;

36 (2) ALLOW CLAIMANTS TO PROVIDE ALTERNATIVE DOCUMENTATION  
37 THAT DOES NOT MEET THE USUAL STANDARDS OF PROOF REQUIRED BY THE  
38 INSURER TO SUBSTANTIATE THE PARTICULAR CLAIM, SUBJECT TO STANDARDS  
39 ESTABLISHED FOR ALTERNATIVE DOCUMENTATION AS REQUIRED BY REGULATIONS  
40 ADOPTED BY THE COMMISSIONER; AND

1 (3) ATTEMPT TO RESOLVE, SETTLE, AND, IF APPROPRIATE, MAKE  
2 PAYMENTS ON CLAIMS IRRESPECTIVE OF ANY STATUTE OF LIMITATIONS OR NOTICE  
3 REQUIREMENTS IMPOSED BY LAW OR THE INSURANCE POLICY ISSUED TO OR  
4 COVERING THE LIFE, PROPERTY, OR INTERESTS OF A HOLOCAUST VICTIM, IF THE  
5 CLAIM IS SUBMITTED TO THE INSURER WITHIN 10 YEARS AFTER THE EFFECTIVE  
6 DATE OF THIS TITLE.

7 (B) A VIOLATION OF THIS SECTION IS AN UNFAIR OR DECEPTIVE ACT OR  
8 PRACTICE IN THE BUSINESS OF INSURANCE IN VIOLATION OF TITLE 27 OF THIS  
9 ARTICLE.

10 (C) (1) THIS TITLE SHALL SERVE AS ADDITIONAL AND CONCLUSIVE NOTICE  
11 THAT THE COMMISSIONER IS CURRENTLY INVESTIGATING ALL CLAIMS PERTAINING  
12 TO THE VICTIMS OF THE HOLOCAUST.

13 (2) EVIDENCE OF THE INTENTIONAL DESTRUCTION OR ALTERATION OF  
14 ANY RECORDS OR OTHER MATERIALS PERTAINING TO A CLAIM SHALL BE  
15 ADMISSIBLE IN BOTH ADMINISTRATIVE AND JUDICIAL PROCEEDINGS AS EVIDENCE  
16 IN SUPPORT OF ANY CLAIM BEING MADE AGAINST THE INSURER INVOLVING THE  
17 DESTROYED OR ALTERED MATERIAL.

18 (3) IT MAY BE INFERRED IN AN ADMINISTRATIVE OR JUDICIAL  
19 PROCEEDING THAT THE INTENTIONAL DESTRUCTION OR ALTERATION OF ANY  
20 RECORDS OR OTHER MATERIALS PERTAINING TO A CLAIM WAS DONE IN ORDER TO  
21 PREVENT DISCOVERY OF INFORMATION TO SUPPORT ANY CLAIM OF A HOLOCAUST  
22 VICTIM.

23 28-104.

24 (A) NOTWITHSTANDING ANY LAW OR AGREEMENT AMONG THE PARTIES TO  
25 AN INSURANCE POLICY TO THE CONTRARY, ANY ACTION ARISING FROM AN  
26 OCCURRENCE DURING THE PERIOD BETWEEN JANUARY 1, 1929, AND DECEMBER 31,  
27 1945, BROUGHT BY A HOLOCAUST VICTIM SEEKING PROCEEDS OF AN INSURANCE  
28 POLICY ISSUED TO OR COVERING THE LIFE OR PROPERTY OF A HOLOCAUST VICTIM  
29 BEFORE DECEMBER 31, 1945, MAY NOT BE DISMISSED FOR FAILURE TO COMPLY WITH  
30 ANY STATUTE OF LIMITATIONS OR LACHES OR OTHER SIMILAR PROVISION OF ANY  
31 APPLICABLE LAW RELATING TO THE TIMELINESS OF THE FILING OF CLAIMS THAT  
32 MIGHT PREVENT A CLAIM FROM BEING HEARD ON ITS MERITS, OR ANY NOTICE  
33 REQUIREMENTS IMPOSED BY ANY INSURANCE POLICY IF THE ACTION IS  
34 COMMENCED WITHIN 10 YEARS AFTER THE EFFECTIVE DATE OF THIS TITLE.

35 (B) ANY ACTION ARISING FROM AN OCCURRENCE DURING THE PERIOD  
36 BETWEEN JANUARY 1, 1929, AND DECEMBER 31, 1945, BROUGHT BY A HOLOCAUST  
37 VICTIM SEEKING PROCEEDS OF AN INSURANCE POLICY ISSUED TO OR COVERING  
38 THE LIFE OR PROPERTY OF A HOLOCAUST VICTIM BEFORE DECEMBER 31, 1945, MAY  
39 NOT BE STAYED OR DISMISSED UNDER THE MARYLAND RULES OF CIVIL PROCEDURE.

40 (C) IN RECOGNITION OF THE SIGNIFICANT PERIOD OF TIME THAT HAS  
41 PASSED AND IN ORDER TO EFFECT THE GOALS OF SUBSTANTIAL JUSTICE, THE  
42 RULES REGARDING THE ADMISSIBILITY OF EVIDENCE, AND PRINCIPLES OF LAW OR

1 OTHER RULES RELATING TO THE ADMISSION OF HEARSAY EVIDENCE SHALL BE  
2 RELAXED AT THE DISCRETION OF THE TRIAL JUDGE IN ANY ACTION OR PROCEEDING  
3 AUTHORIZED BY THIS SECTION.

4 28-105.

5 (A) (1) WITHIN 120 DAYS AFTER THE EFFECTIVE DATE OF THIS TITLE, EACH  
6 INSURER AUTHORIZED TO DO INSURANCE BUSINESS IN THE STATE SHALL FILE OR  
7 CAUSE ITS HOLDING COMPANY TO FILE WITH THE COMMISSIONER, A REPORT  
8 SETTING FORTH THE INSURER'S PLAN FOR COMPLYING WITH THIS TITLE.

9 (2) EACH INSURER THAT HAS DETERMINED THAT IT DOES NOT HAVE  
10 ANY OF THE INFORMATION REQUESTED IN SUBSECTION (B) OF THIS SECTION SHALL  
11 FILE OR CAUSE ITS HOLDING COMPANY TO FILE A REPORT STATING THAT THEY  
12 HAVE NO INFORMATION.

13 (3) IN ADDITION, AN INSURER MAY REQUEST TO BE RELIEVED FROM  
14 FILING ANY FURTHER REPORTS AFTER PROVIDING EVIDENCE SATISFACTORY TO  
15 THE COMMISSIONER THAT THE INSURER HAS FULFILLED ITS OBLIGATIONS UNDER  
16 THIS TITLE.

17 (B) EACH INSURER AUTHORIZED TO DO INSURANCE BUSINESS IN THE STATE  
18 SHALL REPORT OR CAUSE ITS HOLDING COMPANY TO REPORT TO THE  
19 COMMISSIONER THE FOLLOWING INFORMATION:

20 (1) WHETHER IT IS A MEMBER OF A HOLDING COMPANY SYSTEM  
21 INCLUDING ANY INSURER, ANY OTHER MEMBER, SUBSIDIARY, OR DIVISION IN EACH  
22 CASE WHETHER A LICENSEE OR NOT, THAT COULD POSSIBLY BE EXPECTED TO HAVE  
23 ISSUED AN INSURANCE POLICY TO A HOLOCAUST VICTIM BETWEEN JANUARY 1, 1920,  
24 AND DECEMBER 31, 1945, AND A LIST OF EACH ENTITY;

25 (2) THE APPROXIMATE NUMBER AND THE TOTAL VALUE OF ALL  
26 INSURANCE POLICIES ISSUED TO HOLOCAUST VICTIMS BETWEEN JANUARY 1, 1920,  
27 AND DECEMBER 31, 1945, BY THE INSURER OR BY ANY OTHER MEMBER, SUBSIDIARY,  
28 OR DIVISION WITHIN THE REPORTING INSURER'S HOLDING COMPANY SYSTEM,  
29 THAT, AS OF THE DATE OF THE REPORT, REMAIN UNPAID OR WERE PAID TO, OR  
30 EXPROPRIATED BY, A GOVERNMENT LOCATED IN AREAS UNDER NAZI INFLUENCE,  
31 THAT WAS NOT THE NAMED BENEFICIARY OF THE INSURANCE POLICY;

32 (3) ATTEMPTS MADE BY THE INSURER TO LOCATE THE BENEFICIARIES  
33 OF ANY INSURANCE POLICIES ISSUED TO HOLOCAUST VICTIMS BETWEEN JANUARY  
34 1, 1920, AND DECEMBER 31, 1945, FOR WHICH NO CLAIM OF BENEFITS HAS BEEN  
35 MADE;

36 (4) IF REQUESTED BY THE COMMISSIONER AND TO THE EXTENT  
37 CONSISTENT WITH APPLICABLE LAWS AND CONFIDENTIALITY OBLIGATIONS, WITH  
38 RESPECT TO EACH INSURANCE POLICY ISSUED TO HOLOCAUST VICTIMS BETWEEN  
39 JANUARY 1, 1920, AND DECEMBER 31, 1945, THE NAME OF THE OWNER, THE NAME OF  
40 THE BENEFICIARY, AND THE FACE AMOUNT OR PAY-OUT VALUE;

1 (5) THE NUMBER OF CLAIMS FILED BY INDIVIDUALS WHO ALLEGE OR  
2 HAVE ALLEGED THAT THEY ARE HOLOCAUST VICTIMS AND WHETHER EACH CLAIM  
3 HAS BEEN PAID OR PAYMENT HAS BEEN DENIED;

4 (6) IF REQUESTED BY THE COMMISSIONER, AN EXPLANATION OF ANY  
5 DENIAL OR PENDING PAYMENT OF A CLAIM TO ANY INDIVIDUAL WHO ALLEGES OR  
6 HAS ALLEGED TO BE A HOLOCAUST VICTIM;

7 (7) A SUMMARY OF THE LENGTH OF TIME FOR THE PROCESSING AND  
8 DISPOSITION OF A CLAIM TO AN INDIVIDUAL WHO ALLEGES OR HAS ALLEGED TO BE  
9 A HOLOCAUST VICTIM BY THE INSURER; AND

10 (8) IF THE INSURER IS UNABLE TO PROVIDE ANY OF THE INFORMATION  
11 REQUIRED BY THIS SECTION, AN EXPLANATION OF THE REASONS WHY AND  
12 WHETHER THE INFORMATION MAY, IN THE FUTURE, BE ASCERTAINABLE.

13 (C) EXCEPT AS PROVIDED IN SUBSECTION (A) OF THIS SECTION, THE REPORTS  
14 REQUIRED BY SUBSECTION (B) OF THIS SECTION SHALL BE MADE WITHIN 30 DAYS  
15 AFTER THE END OF THE CALENDAR YEAR IN WHICH THIS TITLE BECOMES  
16 EFFECTIVE AND THEN ANNUALLY FOR EACH OF THE SUCCEEDING 10 YEARS.

17 (D) A REPORT SUBMITTED TO THE COMMISSIONER UNDER TO THIS SECTION  
18 SHALL BE CERTIFIED AND AFFIRMED UNDER OATH AS BEING TRUE AND NOT  
19 MISLEADING AND AS CONTAINING THE MOST ACCURATE INFORMATION AVAILABLE  
20 AT THE TIME OF THE SUBMISSION OF THE REPORT.

21 (E) THE COMMISSIONER MAY WAIVE PENALTIES AND FINES IMPOSED BY THIS  
22 TITLE FOR THOSE INSURERS THAT, THROUGH NO FAULT OF THEIR OWN, WERE  
23 UNAWARE THAT THEY, OR MEMBERS OF A HOLDING COMPANY SYSTEM THAT  
24 INCLUDES THE INSURER, WERE OBLIGATED TO FILE REPORTS UNDER THIS TITLE  
25 AND TO COMPLY WITH THIS TITLE.

26 (F) THE COMMISSIONER IS AUTHORIZED TO USE ANY POWER AVAILABLE TO  
27 THE STATE TO COMPEL HOLDING COMPANY SYSTEMS THAT INCLUDE ISSUERS OF  
28 INSURANCE POLICIES TO HOLOCAUST VICTIMS TO SUBMIT REPORTS UNDER THIS  
29 TITLE AND TO COMPLY WITH THIS TITLE.

30 (G) (1) AN INSURER THAT KNOWINGLY OR RECKLESSLY FILES A FALSE OR  
31 MISLEADING CERTIFICATION REQUIRED BY THIS SECTION IS SUBJECT TO A FINE OF  
32 NOT LESS THAN \$100,000 OR A GREATER AMOUNT AS THE COMMISSIONER  
33 CONSIDERS APPROPRIATE BASED ON THE DEGREE OF MISREPRESENTATION, THE  
34 WILLFULNESS OF THE MISCONDUCT, AND THE AMOUNT OF FUNDS  
35 MISAPPROPRIATED.

36 (2) THE INSURER ALSO MAY BE BARRED FROM FURTHER SALES OF  
37 INSURANCE IN THE STATE FOR A PERIOD OF UP TO 10 YEARS.



1 28-106.

2 ON OR BEFORE DECEMBER 1, 1999, AND THEN ON DECEMBER 1 FOR EACH OF  
3 THE SUCCEEDING 10 YEARS, THE COMMISSIONER SHALL REPORT TO THE GOVERNOR  
4 AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL  
5 ASSEMBLY THE FOLLOWING INFORMATION:

6 (1) THE NUMBER OF INSURERS AUTHORIZED TO DO BUSINESS IN THE  
7 STATE AND THE NUMBER OF OTHER INSURERS THAT MAY BE IN THE SAME HOLDING  
8 COMPANY SYSTEM AS AN AUTHORIZED INSURER THAT COULD POSSIBLY BE  
9 EXPECTED TO HAVE ISSUED AN INSURANCE POLICY TO A HOLOCAUST VICTIM  
10 BETWEEN JANUARY 1, 1920, AND DECEMBER 31, 1945;

11 (2) THE APPROXIMATE NUMBER AND TOTAL VALUE OF ALL INSURANCE  
12 POLICIES ISSUED TO HOLOCAUST VICTIMS BETWEEN JANUARY 1, 1920, AND  
13 DECEMBER 31, 1945, THAT, AS OF THE DATE OF THE REPORT, REMAIN UNPAID OR  
14 WERE PAID TO, OR EXPROPRIATED BY, A GOVERNMENT LOCATED IN AREAS UNDER  
15 NAZI INFLUENCE THAT WAS NOT THE NAMED BENEFICIARY OF THE INSURANCE  
16 POLICY;

17 (3) A LISTING BY INSURER OF THE NUMBER OF CLAIMS FILED BY  
18 INDIVIDUALS WHO ALLEGE OR HAVE ALLEGED THAT THEY ARE HOLOCAUST  
19 VICTIMS AND WHETHER EACH CLAIM HAS BEEN PAID OR PAYMENT HAS BEEN  
20 DENIED;

21 (4) A SUMMARY OF THE LENGTH OF TIME FOR THE PROCESSING AND  
22 DISPOSITION OF CLAIMS FILED BY INDIVIDUALS WHO ALLEGE OR HAVE ALLEGED  
23 THAT THEY ARE HOLOCAUST VICTIMS BY THE INSURER; AND

24 (5) A LISTING OF THE CIRCUMSTANCES OF THE ACTIVITIES OF THE  
25 COMMISSIONER UNDER ITEM (4) OF THIS SECTION AND § 28-107 OF THIS TITLE.

26 28-107.

27 (A) IN ADDITION TO ANY OTHER PENALTY AUTHORIZED BY THIS TITLE, ANY  
28 INSURER OR PERSON THAT VIOLATES THIS TITLE IS SUBJECT TO A CIVIL PENALTY  
29 OF UP TO \$100,000 FOR EACH DAY THE VIOLATION CONTINUES.

30 (B) IF THE COMMISSIONER FINDS THAT A VIOLATION OF THIS TITLE IS  
31 WILLFUL, THE INSURER SHALL BE FINED AN AMOUNT THAT THE COMMISSIONER  
32 CONSIDERS APPROPRIATE BASED ON THE DEGREE OF WILLFUL MISCONDUCT AND  
33 THE NATURE OF THE VIOLATION.

34 28-108.

35 AN INSURER MAY NOT BE CONSIDERED TO BE IN VIOLATION OF ANY PROVISION  
36 OF TITLE 27 OF THIS ARTICLE FOR COMPLYING WITH THIS TITLE.

1 28-109.

2 (A) (1) AN INSURER THAT, UNDER THE LAWS OF ANOTHER JURISDICTION,  
3 IS REQUIRED, OR WHOSE HOLDING COMPANY IS REQUIRED, TO REPORT, CERTIFY, OR  
4 OTHERWISE DISCLOSE INFORMATION SUBSTANTIALLY EQUIVALENT TO THAT  
5 REQUIRED BY § 28-105 OF THIS TITLE MAY SATISFY THE REQUIREMENTS OF § 28-105  
6 OF THIS TITLE BY FILING WITH THE COMMISSIONER WITHIN THE APPLICABLE  
7 PERIODS REQUIRED UNDER THIS SECTION, COPIES OF THE MATERIAL FILED WITH  
8 THE OTHER JURISDICTION.

9 (2) THE DETERMINATION AS TO WHETHER THE REQUIREMENTS OF A  
10 GIVEN JURISDICTION ARE SUBSTANTIALLY EQUIVALENT TO THOSE OF § 28-105 OF  
11 THIS TITLE SHALL BE MADE BY THE COMMISSIONER.

12 (3) THE COMMISSIONER MAY REQUIRE THAT ANY FILING BE  
13 SUPPLEMENTED BY A SCHEDULE OR INDEX REFERRING TO THE SPECIFIC  
14 REQUIREMENTS OF § 28-105 OF THIS TITLE OR REGULATIONS ADOPTED UNDER §  
15 28-105 OF THIS TITLE.

16 (B) THE COMMISSIONER MAY SUSPEND THE APPLICATION OF § 28-105 OF THIS  
17 TITLE TO ANY INSURER ON A FINDING THAT:

18 (1) THE INSURER, A SUBSIDIARY OF THE INSURER, OR ANY MEMBER OF  
19 THE HOLDING COMPANY SYSTEM THAT INCLUDES THE INSURER HAS:

20 (I) SUBJECTED ITSELF IN GOOD FAITH TO THE AUTHORITY OF THE  
21 INTERNATIONAL COMMISSION REFERENCED IN A MEMORANDUM OF INTENT, DATED  
22 APRIL 8, 1998, EXECUTED BY UNITED STATES INSURANCE REGULATORS, WORLDWIDE  
23 JEWISH ORGANIZATIONS, AND INSURERS, OR ANY SUCCESSOR ENTITY; AND

24 (II) MEANINGFULLY PARTICIPATED IN THE COMMISSION OR  
25 SUCCESSOR ENTITY IN MANNER REASONABLY CALCULATED TO EFFECT THE  
26 PROMPT INVESTIGATION AND RESOLUTION OF CLAIMS OF HOLOCAUST VICTIMS;  
27 AND

28 (2) THE COMMISSION OR SUCCESSOR ENTITY IS EFFECTIVELY MOVING  
29 TOWARD THE SWIFT AND EQUITABLE RESOLUTION OF CLAIMS MADE AGAINST THE  
30 INSURER BY HOLOCAUST VICTIMS.

31 (C) EACH SUSPENSION GRANTED UNDER SUBSECTION (B) OF THIS SECTION IS  
32 VALID FOR A 1-YEAR PERIOD AND MAY BE EXTENDED ANNUALLY FOR ADDITIONAL  
33 1-YEAR PERIODS ON A FINDING THAT:

34 (1) THE INSURER, A SUBSIDIARY OF THE INSURER, OR ANY MEMBER OF  
35 THE HOLDING COMPANY SYSTEM THAT INCLUDES THE INSURER CONTINUES TO  
36 SATISFY THE REQUIREMENTS SET FORTH IN SUBSECTION (B) OF THIS SECTION; AND

37 (2) THE COMMISSION OR SUCCESSOR ENTITY IS EFFECTIVE IN  
38 ACHIEVING THE PROMPT IDENTIFICATION OF HOLOCAUST VICTIMS TO WHOM  
39 INSURANCE POLICIES WERE ISSUED BETWEEN JANUARY 1, 1920, AND DECEMBER 31,

1 1945, AND THE INVESTIGATION AND RESOLUTION OF CLAIMS OF THOSE HOLOCAUST  
2 VICTIMS.

3 (D) EACH INSURER THAT IS EXEMPTED OR SEEKS CONTINUED EXEMPTION  
4 UNDER THIS SECTION SHALL FILE REPORTS OR PROVIDE OTHER INFORMATION AS  
5 THE COMMISSIONER REQUIRES.

6 (E) THE COMMISSIONER MAY DISCONTINUE ANY EXEMPTION MADE IN  
7 ACCORDANCE WITH THIS SECTION IF THE COMMISSIONER REASONABLY  
8 DETERMINES THAT:

9 (1) THE INSURER, ITS SUBSIDIARY OR DIVISION, OR THE MEMBER OF  
10 THE HOLDING COMPANY SYSTEM THAT INCLUDES THE INSURER, AS APPLICABLE, IS  
11 NOT COOPERATING FULLY WITH THE COMMISSION OR SUCCESSOR ENTITY; OR

12 (2) THE COMMISSION OR SUCCESSOR ENTITY IS NOT EFFECTIVE IN  
13 PROMPTLY INVESTIGATING AND RESOLVING CLAIMS OF HOLOCAUST VICTIMS.

14 28-110.

15 THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THIS TITLE  
16 AND TO FACILITATE, MONITOR, AND VERIFY COMPLIANCE WITH THIS TITLE.

17 28-111.

18 THIS TITLE IS THE HOLOCAUST VICTIMS INSURANCE ACT.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
20 July 1, 1999. The exclusion under § 7-203(l) of the Tax - General Article shall be  
21 applicable to decedents dying on or after July 1, 1999. The subtraction modification  
22 under § 10-207(t) of the Tax - General Article shall be applicable to all taxable years  
23 beginning after December 31, 1998.