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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 Dombrow~~ Dembrow, Bartlett, Bozman, Carlson, Conroy, Greenip, Healey, Leopold, Rzepkowski, and Shriver ~~Shriver, Hutchins, Clagett, Burns, Heller, Dewberry, Baldwin, Boschert, Owings, Pendergrass, Snodgrass, Klausmeier, and D'Amato~~**

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Assigned to: Ways and Means

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Committee Report: Favorable with amendments  
House action: Adopted with floor amendments  
Read second time: March 10, 1999

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CHAPTER \_\_\_\_\_

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, if directed to do so by the Insurance Commissioner, to file with  
18 the Commissioner within certain time periods certain reports relating to certain  
19 insurance policies issued to Holocaust victims; requiring the Commissioner to  
20 direct an insurer to file certain reports under certain circumstances;  
21 establishing certain penalties for certain violations; requiring the Commissioner  
22 to report to the Governor and General Assembly in a certain manner;

1 ~~establishing certain exemptions to the filing requirements of this Act; defining~~  
 2 ~~certain terms; providing for the application of certain provisions of this Act; and~~  
 3 ~~generally relating to the taxation of distributions or payments made to~~  
 4 ~~Holocaust victims and to the recovery of proceeds from insurance policies issued~~  
 5 ~~to or covering the lives or property of Holocaust victims.~~

6 BY adding to  
 7 Article - Tax - General  
 8 Section 7-203(l) and 10-207(t)  
 9 Annotated Code of Maryland  
 10 (1997 Replacement Volume and 1998 Supplement)

11 BY repealing and reenacting, without amendments,  
 12 Article - Tax - General  
 13 Section 10-207(a)  
 14 Annotated Code of Maryland  
 15 (1997 Replacement Volume and 1998 Supplement)

16 BY adding to  
 17 Article - Insurance  
 18 Section 28-101 through ~~28-111~~ 28-110, inclusive, to be under the new title  
 19 "Title 28. Holocaust Victims Insurance Act"  
 20 Annotated Code of Maryland  
 21 (1997 Volume and 1998 Supplement)

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

24 **Article - Tax - General**

25 7-203.

26 (L) (1) (I) IN THIS SUBSECTION, THE FOLLOWING WORDS HAVE THE  
 27 MEANINGS INDICATED.

28 (II) "HOLOCAUST VICTIM" MEANS AN INDIVIDUAL WHO DIED OR  
 29 LOST PROPERTY AS A RESULT OF DISCRIMINATORY LAWS, POLICIES, OR ACTIONS  
 30 TARGETED AGAINST DISCRETE GROUPS OF INDIVIDUALS BASED ON RACE, RELIGION,  
 31 ETHNICITY, SEXUAL ORIENTATION, OR NATIONAL ORIGIN, WHETHER OR NOT THE  
 32 INDIVIDUAL WAS ACTUALLY A MEMBER OF ANY OF THOSE GROUPS, OR BECAUSE  
 33 THE INDIVIDUAL ASSISTED OR ALLEGEDLY ASSISTED ANY OF THOSE GROUPS,  
 34 BETWEEN JANUARY 1, 1929 AND DECEMBER 31, 1945, IN THE COUNTRY OF NAZI  
 35 GERMANY, AREAS OCCUPIED BY NAZI GERMANY, THOSE EUROPEAN COUNTRIES  
 36 ALLIED WITH NAZI GERMANY, AREAS OCCUPIED BY THOSE EUROPEAN COUNTRIES  
 37 ALLIED WITH NAZI GERMANY, OR ANY OTHER NEUTRAL EUROPEAN COUNTRY OR  
 38 AREA IN EUROPE UNDER THE INFLUENCE OR THREAT OF INVASION BY NAZI

1 GERMANY OR BY ANY EUROPEAN COUNTRY ALLIED WITH OR OCCUPIED BY NAZI  
2 GERMANY.

3 (III) "NAZI GERMANY" MEANS:

4 1. FOR THE PERIOD FROM 1929 TO 1933, THE REPUBLIC OF  
5 GERMANY, COMMONLY REFERRED TO AS THE WEIMAR REPUBLIC; AND

6 2. FOR THE PERIOD FROM 1933 THROUGH 1945, DEUTSCHE  
7 REICH.

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

10 (I) TANGIBLE OR INTANGIBLE PROPERTY OR COMPENSATION FOR  
11 TANGIBLE OR INTANGIBLE PROPERTY THAT WAS SEIZED, MISAPPROPRIATED, OR  
12 LOST AS A RESULT OF THE ACTIONS OR POLICIES OF NAZI GERMANY TOWARD A  
13 HOLOCAUST VICTIM; OR

14 (II) AMOUNTS RECEIVED BY A DECEDENT AS REPARATIONS OR  
15 RESTITUTION FOR THE LOSS OF LIBERTY OR DAMAGE TO THE HEALTH OF THE  
16 DECEDENT BECAUSE THE DECEDENT WAS:

17 1. A HOLOCAUST VICTIM; OR

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

19 (3) THE EXCLUSION UNDER PARAGRAPH (2) OF THIS SUBSECTION  
20 INCLUDES INTEREST ON THE PROCEEDS RECEIVABLE AS INSURANCE UNDER  
21 POLICIES ISSUED BY EUROPEAN INSURANCE COMPANIES PRIOR TO AND DURING  
22 WORLD WAR II TO A HOLOCAUST VICTIM.

23 (4) THE EXCLUSION UNDER PARAGRAPH (2) OF THIS SUBSECTION DOES  
24 NOT INCLUDE:

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

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

29 (5) THE SUBTRACTION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION  
30 SHALL ONLY APPLY IF THE DECEDENT:

31 (I) WAS THE FIRST RECIPIENT OF THE ASSETS DESCRIBED IN  
32 PARAGRAPH (2)(I) OF THIS SUBSECTION AFTER THEIR RECOVERY; AND

33 (II) WAS:

34 1. A HOLOCAUST VICTIM; OR



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

5 (4) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION  
6 DOES NOT INCLUDE:

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

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

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

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

15 (II) IS:

16 1. A HOLOCAUST VICTIM; OR

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

18 **Article - Insurance**

19 TITLE 28. HOLOCAUST VICTIMS INSURANCE ACT.

20 28-101.

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

22 (B) "HOLOCAUST VICTIM" MEANS AN INDIVIDUAL, CLAIMANT, OR THE  
23 ESTATE, HEIR, LEGATEE, DESCENDANT, SURVIVOR, BENEFICIARY, OR OTHER  
24 SUCCESSOR-IN-INTEREST OF THE INDIVIDUAL, WHO DIED OR LOST PROPERTY AS A  
25 RESULT OF DISCRIMINATORY LAWS, POLICIES, OR ACTIONS TARGETED AGAINST  
26 DISCRETE GROUPS OF INDIVIDUALS BASED ON RACE, RELIGION, ETHNICITY, SEXUAL  
27 ORIENTATION, OR NATIONAL ORIGIN, WHETHER OR NOT THE INDIVIDUAL WAS  
28 ACTUALLY A MEMBER OF ANY OF THOSE GROUPS, OR BECAUSE THE INDIVIDUAL  
29 ASSISTED OR ALLEGEDLY ASSISTED ANY OF THOSE GROUPS, BETWEEN JANUARY 1,  
30 1929, AND DECEMBER 31, 1945, IN AREAS UNDER NAZI INFLUENCE.

31 (C) (1) "INSURANCE POLICY" MEANS A POLICY OF INSURANCE  
32 SUBSTANTIALLY SIMILAR TO ANY KIND OF INSURANCE THAT WAS AUTHORIZED AT  
33 ANY TIME IN MARYLAND BETWEEN AND INCLUDING THE YEARS 1929 AND 1945 OR  
34 AUTHORIZED BY THE JURISDICTION IN WHICH THE POLICY WAS SOLD AT THE TIME  
35 IT WAS SOLD.

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

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

6 (E) "AREAS UNDER NAZI INFLUENCE" MEANS THE COUNTRY OF NAZI  
7 GERMANY, AREAS OCCUPIED BY NAZI GERMANY, THOSE EUROPEAN COUNTRIES  
8 ALLIED WITH NAZI GERMANY, AREAS OCCUPIED BY THOSE EUROPEAN COUNTRIES  
9 ALLIED WITH NAZI GERMANY, OR ANY OTHER NEUTRAL EUROPEAN COUNTRY OR  
10 AREA IN EUROPE UNDER THE INFLUENCE OR THREAT OF INVASION BY NAZI  
11 GERMANY OR BY ANY EUROPEAN COUNTRY ALLIED WITH OR OCCUPIED BY NAZI  
12 GERMANY.

13 (F) "INTERNATIONAL COMMISSION" MEANS THE TWELVE MEMBER  
14 COMMISSION, AND ANY SUCCESSOR ORGANIZATION, ESTABLISHED BY THE  
15 SEPTEMBER 1998 MEMORANDUM OF UNDERSTANDING EXECUTED BY THE  
16 MARYLAND INSURANCE COMMISSIONER, INSURANCE REGULATORS FROM OTHER  
17 STATES, EUROPEAN INSURERS, AND INTERNATIONAL JEWISH ORGANIZATIONS.

18 (G) "NAZI GERMANY" MEANS:

19 (1) FOR THE PERIOD FROM 1929 TO 1933, THE REPUBLIC OF GERMANY,  
20 COMMONLY REFERRED TO AS THE WEIMAR REPUBLIC; AND

21 (2) FOR THE PERIOD FROM 1933 THROUGH 1945, DEUTSCHE REICH.

22 28-102.

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

27 28-103.

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

33 (1) DILIGENTLY AND EXPEDITIOUSLY INVESTIGATE THE CLAIM;

34 (2) ALLOW CLAIMANTS TO PROVIDE ALTERNATIVE DOCUMENTATION  
35 THAT DOES NOT MEET THE USUAL STANDARDS OF PROOF REQUIRED BY THE  
36 INSURER TO SUBSTANTIATE THE PARTICULAR CLAIM, SUBJECT TO STANDARDS  
37 ESTABLISHED FOR ALTERNATIVE DOCUMENTATION AS REQUIRED BY REGULATIONS  
38 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 ~~IF DIRECTED TO DO SO BY THE COMMISSIONER, AN~~ INSURER AUTHORIZED TO DO  
7 INSURANCE BUSINESS IN THE STATE SHALL FILE OR CAUSE ITS HOLDING COMPANY  
8 TO FILE WITH THE COMMISSIONER, A REPORT SETTING FORTH THE INSURER'S PLAN  
9 FOR COMPLYING WITH THIS TITLE.

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

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

18 (B) ~~EACH IF DIRECTED TO DO SO BY THE COMMISSIONER, AN~~ INSURER  
19 AUTHORIZED TO DO INSURANCE BUSINESS IN THE STATE SHALL REPORT OR CAUSE  
20 ITS HOLDING COMPANY TO REPORT TO THE COMMISSIONER THE FOLLOWING  
21 INFORMATION:

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

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

34 (3) ATTEMPTS MADE BY THE INSURER TO LOCATE THE BENEFICIARIES  
35 OF ANY INSURANCE POLICIES ISSUED TO HOLOCAUST VICTIMS BETWEEN JANUARY  
36 1, 1920, AND DECEMBER 31, 1945, FOR WHICH NO CLAIM OF BENEFITS HAS BEEN  
37 MADE;

38 (4) IF REQUESTED BY THE COMMISSIONER AND TO THE EXTENT  
39 CONSISTENT WITH APPLICABLE LAWS AND CONFIDENTIALITY OBLIGATIONS, WITH  
40 RESPECT TO EACH INSURANCE POLICY ISSUED TO HOLOCAUST VICTIMS BETWEEN



1 JANUARY 1, 1920, AND DECEMBER 31, 1945, THE NAME OF THE OWNER, THE NAME OF  
2 THE BENEFICIARY, AND THE FACE AMOUNT OR PAY-OUT VALUE;

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

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

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

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

15 (C) THE COMMISSIONER SHALL DIRECT AN INSURER IN THIS STATE TO FILE A  
16 REPORT UNDER THIS SECTION IF:

17 (1) THE COMMISSIONER DETERMINES THAT THE INTERNATIONAL  
18 COMMISSION IS NOT MOVING EFFECTIVELY TOWARD THE SWIFT AND EQUITABLE  
19 RESOLUTION OF INSURANCE CLAIMS MADE BY HOLOCAUST VICTIMS; OR

20 (2) THE COMMISSIONER DETERMINES THAT AN INSURER IS NOT  
21 MEANINGFULLY PARTICIPATING IN THE WORK OF THE INTERNATIONAL  
22 COMMISSION OR COOPERATING WITH THE INTERNATIONAL COMMISSION IN A  
23 MANNER REASONABLY CALCULATED TO EFFECT THE PROMPT INVESTIGATION AND  
24 RESOLUTION OF CLAIMS MADE BY HOLOCAUST VICTIMS.

25 ~~(C)~~ (D) EXCEPT AS PROVIDED IN SUBSECTION (A) OF THIS SECTION, THE  
26 REPORTS REQUIRED BY SUBSECTION (B) OF THIS SECTION SHALL BE MADE WITHIN  
27 30 DAYS AFTER THE END OF THE CALENDAR YEAR IN WHICH ~~THIS TITLE BECOMES~~  
28 ~~EFFECTIVE~~ THE INSURER WAS DIRECTED BY THE COMMISSIONER TO FILE A REPORT  
29 AND THEN ANNUALLY FOR EACH OF THE SUCCEEDING 10 YEARS.

30 ~~(D)~~ (E) A REPORT SUBMITTED TO THE COMMISSIONER UNDER TO THIS  
31 SECTION SHALL BE CERTIFIED AND AFFIRMED UNDER OATH AS BEING TRUE AND  
32 NOT MISLEADING AND AS CONTAINING THE MOST ACCURATE INFORMATION  
33 AVAILABLE AT THE TIME OF THE SUBMISSION OF THE REPORT.

34 ~~(E)~~ (F) THE COMMISSIONER MAY WAIVE PENALTIES AND FINES IMPOSED  
35 BY THIS TITLE FOR THOSE INSURERS THAT, THROUGH NO FAULT OF THEIR OWN,  
36 WERE UNAWARE THAT THEY, OR MEMBERS OF A HOLDING COMPANY SYSTEM THAT  
37 INCLUDES THE INSURER, WERE OBLIGATED TO FILE REPORTS UNDER THIS TITLE  
38 AND TO COMPLY WITH THIS TITLE.

1     ~~(F)~~     (G)     THE COMMISSIONER IS AUTHORIZED TO USE ANY POWER  
2 AVAILABLE TO THE STATE TO COMPEL HOLDING COMPANY SYSTEMS THAT INCLUDE  
3 ISSUERS OF INSURANCE POLICIES TO HOLOCAUST VICTIMS TO SUBMIT REPORTS  
4 UNDER THIS TITLE AND TO COMPLY WITH THIS TITLE.

5     ~~(G)~~     (H)     (1)     AN INSURER THAT KNOWINGLY OR RECKLESSLY FILES A  
6 FALSE OR MISLEADING CERTIFICATION REQUIRED BY THIS SECTION IS SUBJECT TO  
7 A FINE OF NOT LESS THAN \$100,000 OR A GREATER AMOUNT AS THE COMMISSIONER  
8 CONSIDERS APPROPRIATE BASED ON THE DEGREE OF MISREPRESENTATION, THE  
9 WILLFULNESS OF THE MISCONDUCT, AND THE AMOUNT OF FUNDS  
10 MISAPPROPRIATED.

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

13 28-106.

14     (A)     ON OR BEFORE DECEMBER 1, 1999, AND THEN ON DECEMBER 1 FOR EACH  
15 OF THE SUCCEEDING 10 YEARS, THE COMMISSIONER SHALL REPORT TO THE  
16 GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE  
17 GENERAL ASSEMBLY THE FOLLOWING INFORMATION:

18             (1)     THE PROGRESS OF THE INTERNATIONAL COMMISSION IN  
19 RECEIVING, INVESTIGATING, AND RESOLVING INSURANCE CLAIMS OF HOLOCAUST  
20 VICTIMS; AND

21             (2)     THE STATUS OF ANY REPORTS THAT INSURERS WERE DIRECTED TO  
22 FILE UNDER § 28-105 OF THIS TITLE.

23     (B)     THE COMMISSIONER'S REPORT UNDER THIS SECTION SHALL INCLUDE:

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

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

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

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

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

7 28-107.

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

11 (B) IF THE COMMISSIONER FINDS THAT A VIOLATION OF THIS TITLE IS  
12 WILLFUL, THE INSURER SHALL BE FINED AN AMOUNT THAT THE COMMISSIONER  
13 CONSIDERS APPROPRIATE BASED ON THE DEGREE OF WILLFUL MISCONDUCT AND  
14 THE NATURE OF THE VIOLATION.

15 28-108.

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

18 ~~28-109.~~

19 (A) (1) ~~AN INSURER THAT, UNDER THE LAWS OF ANOTHER JURISDICTION,  
20 IS REQUIRED, OR WHOSE HOLDING COMPANY IS REQUIRED, TO REPORT, CERTIFY, OR  
21 OTHERWISE DISCLOSE INFORMATION SUBSTANTIALLY EQUIVALENT TO THAT  
22 REQUIRED BY § 28-105 OF THIS TITLE MAY SATISFY THE REQUIREMENTS OF § 28-105  
23 OF THIS TITLE BY FILING WITH THE COMMISSIONER WITHIN THE APPLICABLE  
24 PERIODS REQUIRED UNDER THIS SECTION, COPIES OF THE MATERIAL FILED WITH  
25 THE OTHER JURISDICTION.~~

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

29 (3) ~~THE COMMISSIONER MAY REQUIRE THAT ANY FILING BE  
30 SUPPLEMENTED BY A SCHEDULE OR INDEX REFERRING TO THE SPECIFIC  
31 REQUIREMENTS OF § 28-105 OF THIS TITLE OR REGULATIONS ADOPTED UNDER §  
32 28-105 OF THIS TITLE.~~

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

35 (1) ~~THE INSURER, A SUBSIDIARY OF THE INSURER, OR ANY MEMBER OF  
36 THE HOLDING COMPANY SYSTEM THAT INCLUDES THE INSURER HAS:~~

1                   (4)     ~~SUBJECTED ITSELF IN GOOD FAITH TO THE AUTHORITY OF THE~~  
2 ~~INTERNATIONAL COMMISSION REFERENCED IN A MEMORANDUM OF INTENT, DATED~~  
3 ~~APRIL 8, 1998, EXECUTED BY UNITED STATES INSURANCE REGULATORS, WORLDWIDE~~  
4 ~~JEWISH ORGANIZATIONS, AND INSURERS, OR ANY SUCCESSOR ENTITY; AND~~

5                   (H)     ~~MEANINGFULLY PARTICIPATED IN THE COMMISSION OR~~  
6 ~~SUCCESSOR ENTITY IN MANNER REASONABLY CALCULATED TO EFFECT THE~~  
7 ~~PROMPT INVESTIGATION AND RESOLUTION OF CLAIMS OF HOLOCAUST VICTIMS;~~  
8 ~~AND~~

9                   (2)     ~~THE COMMISSION OR SUCCESSOR ENTITY IS EFFECTIVELY MOVING~~  
10 ~~TOWARD THE SWIFT AND EQUITABLE RESOLUTION OF CLAIMS MADE AGAINST THE~~  
11 ~~INSURER BY HOLOCAUST VICTIMS.~~

12                  (C)     ~~EACH SUSPENSION GRANTED UNDER SUBSECTION (B) OF THIS SECTION IS~~  
13 ~~VALID FOR A 1-YEAR PERIOD AND MAY BE EXTENDED ANNUALLY FOR ADDITIONAL~~  
14 ~~1-YEAR PERIODS ON A FINDING THAT:~~

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

18                  (2)     ~~THE COMMISSION OR SUCCESSOR ENTITY IS EFFECTIVE IN~~  
19 ~~ACHIEVING THE PROMPT IDENTIFICATION OF HOLOCAUST VICTIMS TO WHOM~~  
20 ~~INSURANCE POLICIES WERE ISSUED BETWEEN JANUARY 1, 1920, AND DECEMBER 31,~~  
21 ~~1945, AND THE INVESTIGATION AND RESOLUTION OF CLAIMS OF THOSE HOLOCAUST~~  
22 ~~VICTIMS.~~

23                  (D)     ~~EACH INSURER THAT IS EXEMPTED OR SEEKS CONTINUED EXEMPTION~~  
24 ~~UNDER THIS SECTION SHALL FILE REPORTS OR PROVIDE OTHER INFORMATION AS~~  
25 ~~THE COMMISSIONER REQUIRES.~~

26                  (E)     ~~THE COMMISSIONER MAY DISCONTINUE ANY EXEMPTION MADE IN~~  
27 ~~ACCORDANCE WITH THIS SECTION IF THE COMMISSIONER REASONABLY~~  
28 ~~DETERMINES THAT:~~

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

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

34 ~~28-110. 28-109.~~

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

1 ~~28-111.~~ 28-110.

2 THIS TITLE IS THE HOLOCAUST VICTIMS INSURANCE ACT.

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