

SENATE BILL 229

Unofficial Copy
Q7

1999 Regular Session
(9r1042)

ENROLLED BILL

-- Budget and Taxation/Ways and Means --

Introduced by **Senators Roesser, Bromwell, Colburn, Collins, Conway, Dorman, Dyson, Ferguson, Hoffman, Hollinger, Jacobs, Kelley, Lawlah, Middleton, Sfikas, and ~~Teitelbaum~~ Teitelbaum, Currie, DeGrange, Hogan, Kasemeyer, McFadden, Munson, Neall, Ruben, Stoltzfus, and Van Hollen**

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 **~~Inheritance Tax and Income Tax - Victims of Nazi Persecution~~**
3 **Holocaust Victims - Inheritance Tax and Income Tax - Insurance Policies**

4 ~~FOR the purpose of providing an exclusion from the inheritance tax for certain assets~~
5 ~~stolen from, hidden from, or otherwise lost to a victim of Nazi persecution and~~
6 ~~for certain payments or distributions to victims of Nazi persecution or their~~
7 ~~spouses or descendants; providing a subtraction modification under the~~
8 ~~Maryland individual income tax for certain amounts included in federal~~
9 ~~adjusted gross income attributable to, derived from, or related to certain assets~~
10 ~~stolen from, hidden from, or otherwise lost to a victim of Nazi persecution and~~
11 ~~certain payments or distributions to victims of Nazi persecution or their spouses~~
12 ~~or descendants; providing that the exclusion from the inheritance tax and the~~

1 subtraction modification include certain interest payments; providing that the
2 exclusion from the inheritance tax and the subtraction modification do not
3 include certain assets; providing that the exclusion from the inheritance tax and
4 the subtraction modification only apply to certain individuals; providing for the
5 application of this Act; and generally relating to the taxation of certain
6 distributions or payments attributable to Nazi persecution and made to certain
7 individuals.

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

32 BY adding to
33 Article - Tax - General
34 Section 7-203(l) and 10-207(t)
35 Annotated Code of Maryland
36 (1997 Replacement Volume and 1998 Supplement)

37 BY repealing and reenacting, without amendments,
38 Article - Tax - General
39 Section 10-207(a)
40 Annotated Code of Maryland
41 (1997 Replacement Volume and 1998 Supplement)

42 BY adding to
43 Article - Insurance

1 Section 28-101 through 28-110, inclusive, to be under the new title "Title 28,
 2 Holocaust Victims Insurance Act"
 3 Annotated Code of Maryland
 4 (1997 Volume and 1998 Supplement)

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

7 **Article - Tax - General**

8 7-203.

9 ~~(L)~~ ~~(1)~~ IN THIS SUBSECTION, THE TERM "VICTIM OF NAZI PERSECUTION"
 10 MEANS A VICTIM OF NAZI PERSECUTION WITHIN THE MEANING OF THE NAZI
 11 PERSECUTION VICTIMS ELIGIBILITY BENEFITS ACT, PUB. L. NO. 103-286, 108 STAT.
 12 1450 (1994).

13 ~~(2)~~ THE INHERITANCE TAX DOES NOT APPLY TO THE RECEIPT OF
 14 PROPERTY THAT IS:

15 ~~(1)~~ AN ASSET THAT WAS:

16 1. STOLEN FROM, HIDDEN FROM, OR OTHERWISE LOST TO A
 17 VICTIM OF NAZI PERSECUTION DUE TO NAZI PERSECUTION;

18 2. SUBSEQUENTLY RECOVERED; AND

19 3. RECEIVED BY THE DECEDENT DURING THE DECEDENT'S
 20 LIFETIME; OR

21 ~~(H)~~ A DISTRIBUTION MADE TO A DECEDENT BECAUSE OF THE
 22 DECEDENT'S STATUS AS:

23 1. A VICTIM OF NAZI PERSECUTION; OR

24 2. A SPOUSE OR DESCENDANT OF A VICTIM OF NAZI
 25 PERSECUTION.

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,
 31 RELIGION, ETHNICITY, SEXUAL ORIENTATION, OR NATIONAL ORIGIN, WHETHER OR
 32 NOT THE INDIVIDUAL WAS ACTUALLY A MEMBER OF ANY OF THOSE GROUPS, OR
 33 BECAUSE THE INDIVIDUAL ASSISTED OR ALLEGEDLY ASSISTED ANY OF THOSE
 34 GROUPS, BETWEEN JANUARY 1, 1929 AND DECEMBER 31, 1945, IN THE COUNTRY OF
 35 NAZI GERMANY, AREAS OCCUPIED BY NAZI GERMANY, THOSE EUROPEAN
 36 COUNTRIES ALLIED WITH NAZI GERMANY, AREAS OCCUPIED BY THOSE EUROPEAN

1 COUNTRIES ALLIED WITH NAZI GERMANY, OR ANY OTHER NEUTRAL EUROPEAN
 2 COUNTRY OR AREA IN EUROPE UNDER THE INFLUENCE OR THREAT OF INVASION BY
 3 NAZI GERMANY OR BY ANY EUROPEAN COUNTRY ALLIED WITH OR OCCUPIED BY
 4 NAZI GERMANY.

5 (III) "NAZI GERMANY" MEANS:

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

8 2. FOR THE PERIOD FROM 1933 THROUGH 1945, DEUTSCHE
 9 REICH.

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

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

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

19 1. A HOLOCAUST VICTIM; OR

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

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

25 (4) THE EXCLUSION UNDER PARAGRAPH (2) OF THIS SUBSECTION DOES
 26 NOT INCLUDE:

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

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

31 ~~(5) THE EXCLUSION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION~~
 32 ~~SHALL ONLY APPLY IF THE DECEDENT WAS THE FIRST RECIPIENT OF THE ASSET~~
 33 ~~DESCRIBED IN PARAGRAPH (2)(I) OF THIS SUBSECTION AFTER THEIR RECOVERY AND~~
 34 ~~WAS:~~

35 ~~(I)~~ A VICTIM OF NAZI PERSECUTION; OR

1 ~~(H) A SPOUSE OR DESCENDANT OF A VICTIM OF NAZI~~
 2 ~~PERSECUTION.~~

3 ~~(5) THE SUBTRACTION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION~~
 4 ~~SHALL ONLY APPLY IF THE DECEDENT:~~

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

7 ~~(II) WAS:~~

8 ~~1. A HOLOCAUST VICTIM; OR~~

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

10 10-207.

11 (a) To the extent included in federal adjusted gross income, the amounts under
 12 this section are subtracted from the federal adjusted gross income of a resident to
 13 determine Maryland adjusted gross income.

14 ~~(T) (1) IN THIS SUBSECTION, THE TERM "VICTIM OF NAZI PERSECUTION"~~
 15 ~~MEANS A VICTIM OF NAZI PERSECUTION WITHIN THE MEANING OF THE NAZI~~
 16 ~~PERSECUTION VICTIMS ELIGIBILITY BENEFITS ACT, PUB. L. NO. 103-286, 108 STAT.~~
 17 ~~1450 (1994).~~

18 ~~(2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION~~
 19 ~~INCLUDES:~~

20 ~~(1) INCOME OF AN INDIVIDUAL RELATED TO ASSETS STOLEN~~
 21 ~~FROM, HIDDEN FROM, OR OTHERWISE LOST TO A VICTIM OF NAZI PERSECUTION DUE~~
 22 ~~TO NAZI PERSECUTION; AND~~

23 ~~(H) A DISTRIBUTION MADE TO AN INDIVIDUAL BECAUSE OF THE~~
 24 ~~INDIVIDUAL'S STATUS AS:~~

25 ~~1. A VICTIM OF NAZI PERSECUTION; OR~~

26 ~~2. A SPOUSE OR DESCENDANT OF A VICTIM OF NAZI~~
 27 ~~PERSECUTION.~~

28 ~~(T) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE~~
 29 ~~MEANINGS INDICATED.~~

30 ~~(II) "HOLOCAUST VICTIM" MEANS AN INDIVIDUAL WHO DIED OR~~
 31 ~~LOST PROPERTY AS A RESULT OF DISCRIMINATORY LAWS, POLICIES, OR ACTIONS~~
 32 ~~TARGETED AGAINST DISCRETE GROUPS OF INDIVIDUALS BASED ON RACE,~~
 33 ~~RELIGION, ETHNICITY, SEXUAL ORIENTATION, OR NATIONAL ORIGIN, WHETHER OR~~
 34 ~~NOT THE INDIVIDUAL WAS ACTUALLY A MEMBER OF ANY OF THOSE GROUPS, OR~~
 35 ~~BECAUSE THE INDIVIDUAL ASSISTED OR ALLEGEDLY ASSISTED ANY OF THOSE~~
 36 ~~GROUPS, BETWEEN JANUARY 1, 1929 AND DECEMBER 31, 1945, IN THE COUNTRY OF~~

1 NAZI GERMANY, AREAS OCCUPIED BY NAZI GERMANY, THOSE EUROPEAN
 2 COUNTRIES ALLIED WITH NAZI GERMANY, AREAS OCCUPIED BY THOSE EUROPEAN
 3 COUNTRIES ALLIED WITH NAZI GERMANY, OR ANY OTHER NEUTRAL EUROPEAN
 4 COUNTRY OR AREA IN EUROPE UNDER THE INFLUENCE OR THREAT OF INVASION BY
 5 NAZI GERMANY OR BY ANY EUROPEAN COUNTRY ALLIED WITH OR OCCUPIED BY
 6 NAZI GERMANY.

7 (III) "NAZI GERMANY" MEANS:

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

10 2. FOR THE PERIOD FROM 1933 THROUGH 1945, DEUTSCHE
 11 REICH.

12 (2) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION
 13 INCLUDES:

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

18 (II) AMOUNTS RECEIVED BY AN INDIVIDUAL AS REPARATIONS OR
 19 RESTITUTION FOR THE LOSS OF LIBERTY OR DAMAGE TO THE HEALTH OF THE
 20 INDIVIDUAL BECAUSE THE INDIVIDUAL IS:

21 1. A HOLOCAUST VICTIM; OR

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

23 (3) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION
 24 INCLUDES INTEREST ON THE PROCEEDS RECEIVABLE AS INSURANCE UNDER
 25 POLICIES ISSUED TO A HOLOCAUST VICTIM BY EUROPEAN INSURANCE COMPANIES
 26 IMMEDIATELY PRIOR TO AND DURING WORLD WAR II TO A VICTIM OF NAZI
 27 PERSECUTION.

28 (4) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION
 29 DOES NOT INCLUDE ASSETS ACQUIRED WITH THE ASSETS DESCRIBED IN
 30 PARAGRAPH (2) OF THIS SUBSECTION OR WITH THE PROCEEDS FROM THE SALE OF
 31 THE ASSETS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.

32 (5) THE SUBTRACTION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION
 33 SHALL ONLY APPLY IF THE INDIVIDUAL IS THE FIRST RECIPIENT OF THE ASSETS
 34 DESCRIBED IN PARAGRAPH (2)(I) OF THIS SUBSECTION AFTER THEIR RECOVERY AND
 35 IS:

36 (I) A VICTIM OF NAZI PERSECUTION; OR

1 ~~(H) A SPOUSE OR DESCENDANT OF A VICTIM OF NAZI~~
2 ~~PERSECUTION.~~

3 ~~(4) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION~~
4 ~~DOES NOT INCLUDE:~~

5 ~~(I) ASSETS ACQUIRED WITH THE ASSETS DESCRIBED IN~~
6 ~~PARAGRAPH (2) OF THIS SUBSECTION; OR~~

7 ~~(II) ASSETS ACQUIRED WITH THE PROCEEDS FROM THE SALE OF~~
8 ~~THE ASSETS DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.~~

9 ~~(5) THE SUBTRACTION UNDER PARAGRAPH (2)(I) OF THIS SUBSECTION~~
10 ~~SHALL ONLY APPLY IF THE INDIVIDUAL:~~

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

13 ~~(II) IS:~~

14 ~~1. A HOLOCAUST VICTIM; OR~~

15 ~~2. A SPOUSE OR DESCENDANT OF A HOLOCAUST VICTIM.~~

16 ~~Article - Insurance~~

17 ~~TITLE 28. HOLOCAUST VICTIMS INSURANCE ACT.~~

18 ~~28-101.~~

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

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

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

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

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

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

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

16 (G) "NAZI GERMANY" MEANS:

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

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

20 28-102.

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

25 28-103.

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

32 (1) DILIGENTLY AND EXPEDITIOUSLY INVESTIGATE THE CLAIM;

33 (2) ALLOW CLAIMANTS TO PROVIDE ALTERNATIVE DOCUMENTATION
34 THAT DOES NOT MEET THE USUAL STANDARDS OF PROOF REQUIRED BY THE
35 INSURER TO SUBSTANTIATE THE PARTICULAR CLAIM, SUBJECT TO STANDARDS
36 ESTABLISHED FOR ALTERNATIVE DOCUMENTATION AS REQUIRED BY REGULATIONS
37 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
40 PROCEDURE.

41 (C) IN RECOGNITION OF THE SIGNIFICANT PERIOD OF TIME THAT HAS
42 PASSED AND IN ORDER TO EFFECT THE GOALS OF SUBSTANTIAL JUSTICE, THE

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

5 28-105.

6 (A) (1) IF DIRECTED TO DO SO BY THE COMMISSIONER, AN INSURER
7 AUTHORIZED TO DO INSURANCE BUSINESS IN THE STATE SHALL FILE OR CAUSE ITS
8 HOLDING COMPANY TO FILE WITH THE COMMISSIONER, A REPORT SETTING FORTH
9 THE INSURER'S PLAN 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) 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
16 A 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 (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 THE INSURER WAS
28 DIRECTED BY THE COMMISSIONER TO FILE A REPORT AND THEN ANNUALLY FOR
29 EACH OF THE SUCCEEDING 10 YEARS.

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

34 (F) THE COMMISSIONER MAY WAIVE PENALTIES AND FINES IMPOSED BY
35 THIS TITLE FOR THOSE INSURERS THAT, THROUGH NO FAULT OF THEIR OWN, WERE
36 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 (G) THE COMMISSIONER IS AUTHORIZED TO USE ANY POWER AVAILABLE TO
2 THE STATE TO COMPEL HOLDING COMPANY SYSTEMS THAT INCLUDE ISSUERS OF
3 INSURANCE POLICIES TO HOLOCAUST VICTIMS TO SUBMIT REPORTS UNDER THIS
4 TITLE AND TO COMPLY WITH THIS TITLE.

5 (H) (1) AN INSURER THAT KNOWINGLY OR RECKLESSLY FILES A FALSE OR
6 MISLEADING CERTIFICATION REQUIRED BY THIS SECTION IS SUBJECT TO A FINE OF
7 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 VICTIMS
37 AND WHETHER EACH CLAIM HAS BEEN PAID OR PAYMENT HAS BEEN 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 SUBSECTION AND § 28-107 OF THIS TITLE.

6 28-107.

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

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

14 28-108.

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

17 28-109.

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

20 28-110.

21 THIS TITLE IS THE HOLOCAUST VICTIMS INSURANCE ACT.

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