

SENATE BILL 266

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1999 Regular Session
9r1423
CF 9r2187

By: **Senators Ruben and Forehand**
Introduced and read first time: February 4, 1999
Assigned to: Finance

Committee Report: Favorable
Senate action: Adopted
Read second time: March 3, 1999

CHAPTER_____

1 AN ACT concerning

2 **Charitable Gift Annuities - Issuance of Special Permits - Qualifications of**
3 **Educational or Religious Organizations**

4 FOR the purpose of altering the qualifications of an educational or religious
5 organization to which the Maryland Insurance Commissioner may issue a
6 special permit to make agreements for annuity payments with donors under
7 certain circumstances; and generally relating to the qualifications of educational
8 or religious organizations and the issuance of special permits for charitable gift
9 annuities.

10 BY repealing and reenacting, with amendments,
11 Article - Insurance
12 Section 16-114(c)
13 Annotated Code of Maryland
14 (1997 Volume and 1998 Supplement)
15 (As enacted by Chapter 70 of the Acts of the General Assembly of 1997)

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

18 **Article - Insurance**

19 16-114.

20 (c) (1) On application, the Commissioner may issue a special permit to
21 make agreements for annuity payments with donors to an educational or religious
22 organization not conducted for profit and engaged [solely] in bona fide educational or

1 religious activities, to a hospital in the State, or to a community foundation if the
2 educational or religious organization, hospital, or community foundation:

3 (i) except as provided in paragraph (2) of this subsection, has been
4 in active operation in the State for at least 10 years before issuance of the special
5 permit; and

6 (ii) has been granted exemption from federal income taxation
7 under § 501 of the Internal Revenue Code.

8 (2) The Commissioner may issue a special permit to a community
9 foundation that has been in existence for at least 5 years but less than 10 years if the
10 community foundation maintains admitted assets in an amount up to 100% of the
11 contributions made to the community foundation, as determined by the
12 Commissioner.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 1999.