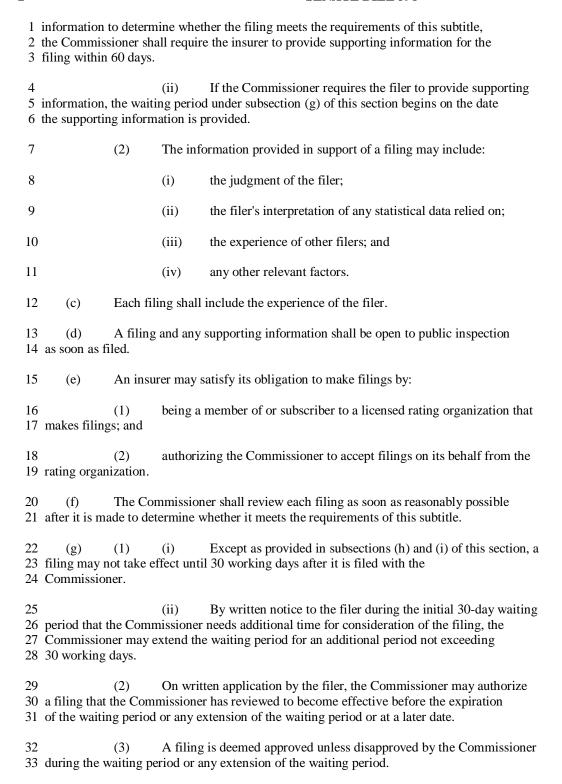
Unofficial Copy C4 2000 Regular Session 0lr2390 CF 0lr2620

By: Senator Dorman Introduced and read first time: February 4, 2000 Assigned to: Finance A BILL ENTITLED 1 AN ACT concerning 2 **Insurance Rating Law - Exempt Commercial Policyholders** 3 FOR the purpose of exempting from certain form filing requirements under prior approval insurance rating law insurers that issue policies to certain commercial 4 5 policyholders; requiring a certain commercial policyholder to certify to the 6 insurer issuing coverage that it meets certain criteria for exemption; authorizing the Insurance Commissioner to require by regulation certain 7 8 information about policies written for certain commercial policyholders; defining 9 a certain term; and generally relating to exempting insurers issuing coverage to commercial policyholders from certain requirements under prior approval 10 insurance rating law. 11 12 BY repealing and reenacting, with amendments, Article - Insurance 13 14 Section 11-206 15 Annotated Code of Maryland (1997 Volume and 1999 Supplement) 16 17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 18 MARYLAND, That the Laws of Maryland read as follows: 19 **Article - Insurance** 20 11-206. 21 Except as otherwise provided in this section, each insurer shall file (a) (1) 22 with the Commissioner all rates, supplementary rate information, policy forms, and 23 endorsements and all modifications of rates, supplementary rate information, policy 24 forms, and endorsements that the insurer proposes to use. Each filing shall state its proposed effective date and shall indicate 25 (2) 26 the character and extent of the coverage contemplated. 27 (b) If a filing is not accompanied by the information on which the (1)

28 insurer supports the filing and the Commissioner does not have sufficient



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1 2	approval.	(4)	A filing	may be v	withdrawn or amended by the filer at any time before
	amendment of with this sect				disapproval of a filing, the withdrawal or approval of the Commissioner in accordance
6 7	(h) written accor	(1) ding to n			ks that by general custom of the business are not ing plans need not be filed.
10		en filed,	specially and rema	rated by a in effecti	paragraph (1) of this subsection, specific inland a rating organization shall be filed, become ive until the Commissioner finds the filing does ile.
14 15	by court, by covered by a	executiva previous	e order, o s filing sh	or by ordenall becom	ect to a surety or guarantee bond required by law, er, rule, or regulation of a public body, not me effective when filed and remain effective iling does not meet the requirements of this
17 18	(J) MEANS A	(1) PERSON		SUBSE	CCTION, "EXEMPT COMMERCIAL POLICYHOLDER"
19 20	CASUALTY	Y PREMI	(I) IUMS OF		ANNUAL AGGREGATE COUNTRYWIDE PROPERTY AND OR MORE; AND
21			(II)	MEETS	ANY TWO OF THE FOLLOWING CRITERIA:
22 23	\$10,000,000);		1.	GENERATES ANNUAL REVENUES OR SALES IN EXCESS OF
24				2.	POSSESSES A NET WORTH IN EXCESS OF \$5,000,000;
25				3.	EMPLOYS AT LEAST 25 FULL-TIME EMPLOYEES;
26 27	AN ANNUA	AL BUDO	GET OF A	4. AT LEAS	IS A NONPROFIT ORGANIZATION OR PUBLIC BODY WITH ST \$25,000,000;
28 29	AT LEAST	15,000; 0	OR	5.	IS A MUNICIPAL CORPORATION WITH A POPULATION OF
30 31	INSURANC	CE ADVI	SOR WH	6. IO:	RETAINS, EMPLOYS, OR UTILIZES AN INDEPENDENT
					IS QUALIFIED BY EXPERIENCE, EDUCATION, OR TRAINING CHASER'S NEEDS AND TO ANALYZE THE POLICY OF INSURANCE PURCHASER; AND
35				B.	MAY BE A LICENSED AGENT OR BROKER.

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- 1 (2) THE FILING REQUIREMENTS OF THIS SECTION DO NOT APPLY TO 2 POLICY FORMS AND ENDORSEMENTS AND TO MODIFICATIONS OF POLICY FORMS
- 3 AND ENDORSEMENTS ISSUED TO AN EXEMPT COMMERCIAL POLICYHOLDER.
- 4 (3) (I) AN EXEMPT COMMERCIAL POLICYHOLDER MUST CERTIFY IN
- 5 WRITING TO THE INSURER ISSUING COVERAGE THAT IT MEETS THE CRITERIA
- 6 NECESSARY FOR EXEMPTION FROM FORM FILING REQUIREMENTS.
- 7 (II) THE CERTIFICATION MUST INCLUDE SPECIFIC REFERENCE TO
- 8 THE OPTIONAL CRITERIA THAT THE INSURED HAS SATISFIED TO QUALIFY AS AN
- 9 EXEMPT COMMERCIAL POLICYHOLDER.
- 10 (4) THIS SUBSECTION DOES NOT APPLY TO THE FILING OF WORKERS'
- 11 COMPENSATION INSURANCE POLICY FORMS.
- 12 (5) THE COMMISSIONER MAY REQUIRE, BY REGULATION, THAT
- 13 INSURERS PROVIDE INFORMATION TO THE ADMINISTRATION ON THE NUMBER AND
- 14 TYPES OF POLICIES WRITTEN FOR EXEMPT COMMERCIAL POLICYHOLDERS UNDER
- 15 THIS SUBSECTION.
- 16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 17 October 1, 2000.