

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

House Bill 288 (Delegate Kach)  
Health and Government Operations

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**Life Insurance - Term Life - Notice to Insureds**

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This bill requires a life insurer, within 30 days after each anniversary of an in-force term life insurance policy, to mail to the policyholder, at the policyholder's last known address, a statement notifying the policyholder that the policy remains in force on a premiums-paid basis.

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**Fiscal Summary**

**State Effect:** Enforcement could be handled with the existing budgeted resources of the Maryland Insurance Administration.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** Generally, a term life insurance policy remains in force under its contract terms so long as the premiums are paid. However, a life insurer is not required to notify an insured that the policy remains in force upon payment of the premium.

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Insurance Administration, Department of Legislative Services

**Fiscal Note History:** First Reader - February 6, 2003  
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