

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 513  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “providing” in line 5 down through “Commissioner” in line 7 and substitute “requiring that the instrument evidencing a certain loan or advance to a stock insurer or mutual insurer be approved in a certain manner by the Maryland Insurance Commissioner and contain certain provisions”; in line 10, after “liabilities;” insert “requiring that certain proceeds be in a certain form;”; and in line 11, after “insurers;” insert “repealing a certain provision of law requiring the Commissioner’s written consent for the repayment or withdrawal of a certain loan or advance made to a stock insurer or mutual insurer;”.

AMENDMENT NO. 2

On page 1, in line 28, after “(2)” insert “THE INSTRUMENT EVIDENCING A LOAN OR ADVANCE UNDER THIS SUBSECTION SHALL:

(I) BE APPROVED AS TO FORM AND CONTENT BY THE COMMISSIONER; AND

(II) CONTAIN PROVISIONS THAT SPECIFY THAT:

1. THE INSTRUMENT IS SUBORDINATE TO POLICYHOLDERS, CLAIMANT AND BENEFICIARY CLAIMS, AND ALL OTHER CLASSES OF CREDITORS OTHER THAN SURPLUS NOTE HOLDERS; AND

2. INTEREST PAYMENTS AND PRINCIPAL REPAYMENTS MAY NOT BE MADE WITHOUT PRIOR APPROVAL OF THE COMMISSIONER.

(3)”.  
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(Over)

On page 2, in line 1, strike “SUBJECT TO THE APPROVAL OF THE COMMISSIONER,”;  
in line 14, after “(c)]” insert “(1) PROCEEDS OF A LOAN OR ADVANCE UNDER THIS SECTION SHALL BE IN THE FORM OF CASH OR OTHER ADMITTED ASSETS HAVING READILY DETERMINABLE VALUES AND LIQUIDITY SATISFACTORY TO THE COMMISSIONER.”

(2)”;

and strike beginning with “(C)” in line 16 down through “Commissioner.” in line 19.