

SB0716/797076/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 716

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “Insurance –” insert “Annuity Contracts and”; in line 3, strike “– Revisions”; in line 4, after the first “of” insert “authorizing an annuity contract to include a rider or supplemental contract provision that offers a contract holder reimbursement or payment for certain long-term care, under certain circumstances;”; in line 8, after “insurance;” insert “altering a certain definition;”; in line 9, strike “insurance” and substitute “insurance, annuity contracts;”; and after line 10, insert:

“BY repealing and reenacting, without amendments,

Article – Insurance

Section 1–101(a)

Annotated Code of Maryland

(2003 Replacement Volume and 2008 Supplement)

BY repealing and reenacting, with amendments,

Article – Insurance

Section 1–101(d)

Annotated Code of Maryland

(2003 Replacement Volume and 2008 Supplement)

BY adding to

Article – Insurance

Section 16–409

Annotated Code of Maryland

(2006 Replacement Volume and 2008 Supplement)”.

AMENDMENT NO. 2

(Over)

On page 1, after line 19, insert:

“1-101.

(a) In this article the following words have the meanings indicated.

(d) (1) “Annuity” means an agreement to make periodic payments for which the making or continuance of all or some of a series of the payments, or the amount of a payment, depends on the continuance of a human life.

(2) “Annuity” includes:

(I) an additional benefit that operates to safeguard the contract from lapse or to provide a special surrender value, special benefit, or annuity in the event of the total and permanent disability of the holder; AND

(II) BENEFITS THAT PROVIDE PAYMENT OR REIMBURSEMENT FOR LONG-TERM HOME HEALTH CARE OR LONG-TERM CARE IN A NURSING HOME OR OTHER RELATED INSTITUTION.

(3) “Annuity” does not include life insurance.

16-409.

AN ANNUITY CONTRACT MAY INCLUDE A RIDER OR SUPPLEMENTAL CONTRACT PROVISION THAT OFFERS A CONTRACT HOLDER REIMBURSEMENT OR PAYMENT FOR LONG-TERM HOME HEALTH CARE OR LONG-TERM CARE IN A NURSING HOME OR OTHER RELATED INSTITUTION:

(1) INSTEAD OF OR IN ADDITION TO THE ANNUITY BENEFITS PAYABLE UNDER THE CONTRACT; OR

**(2) INSTEAD OF ALL OR PART OF THE CASH SURRENDER OR
OTHER NONFORFEITURE VALUE OF THE CONTRACT.”.**