

SB0861/807576/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 861
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “authorizing” in line 10 down through “circumstances;” in line 11; strike beginning with “authorizing” in line 21 down through “circumstances;” in line 22; after line 25, insert:

“BY repealing and reenacting, without amendments,

Article - Insurance

Section 10-130 and 10-707

Annotated Code of Maryland

(2011 Replacement Volume)”;

and in line 28, strike “10-707” and substitute “10-706”.

AMENDMENT NO. 2

On page 2, after line 3, insert:

“10-130.

(a) Except as otherwise provided in §§ 10-102 and 10-119 of this subtitle, a commission, fee, reward, rebate, or other consideration for selling, soliciting, or negotiating insurance may not be paid, directly or indirectly, to a person other than a licensed insurance producer.

(b) Except as otherwise provided in this article, for life insurance or health insurance this section does not prohibit payment to or receipt by a person who formerly held a license and, if the person acted on behalf of an insurer, an appointment of:

(Over)

- (1) commissions on renewal premiums on existing policies; or
- (2) other deferred commissions.

(c) Unless the payment would violate § 27–209 or § 27–212 of this article, an insurer or insurance producer may pay or assign commissions, service fees, or other valuable consideration to an insurance agency or to persons who do not sell, solicit, or negotiate insurance in the State.”.

AMENDMENT NO. 3

On page 5, strike beginning with “Except” in line 27 down through “(I)” in line 30.

On pages 5 and 6, strike in their entirety the lines beginning with line 32 on page 5 through line 4 on page 6, inclusive.

On page 6, in line 5, strike “(3)” and substitute “**(2)**”; in the same line, strike “Nothing in this subsection shall affect the ability of a” and substitute “**A**”; and in line 6, strike “to” and substitute “**MAY**”.

On page 10, in line 11, strike “**EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION,**”; and strike in their entirety lines 16 through 18, inclusive.