

SENATE BILL 185

C4, J5

2lr0012

(PRE-FILED)

By: Chair, Finance Committee (By Request – Departmental – Maryland Insurance Administration)

Requested: October 4, 2021

Introduced and read first time: January 12, 2022

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 Maryland Insurance Administration – Virtual Hearings

3 FOR the purpose of requiring that hearings held by the Maryland Insurance Commissioner
4 be considered open to the public if a member of the public can observe the hearing
5 virtually through an electronic media platform; authorizing the Commissioner to
6 direct that a hearing be held virtually, subject to certain limitations; and generally
7 relating to virtual hearings held by the Maryland Insurance Commissioner.

8 BY repealing and reenacting, with amendments,

9 Article – Insurance

10 Section 2-213

11 Annotated Code of Maryland

12 (2017 Replacement Volume and 2021 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 Article – Insurance

16 2-213.

17 (a) (1) Except as otherwise provided in this subsection, all hearings shall be
18 open to the public in accordance with § 8-505 of the State Government Article.

19 (2) A hearing held by the Commissioner that relates to a filing under Title
20 11 of this article is not required to be open to the public.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(3) A hearing held by the Commissioner to determine whether an insurer is being operated in a hazardous manner that could result in its impairment is not required to be open to the public if:

4 (i) the insurer requests that the hearing not be a public hearing; and

5 (ii) the Commissioner determines that it is not in the interest of the
6 public to hold a public hearing.

(4) A hearing held by the Commissioner to evaluate the financial condition of an insurer under the risk based capital standards set out in Title 4, Subtitle 3 of this article is not required to be open to the public.

13 (b) (1) The Commissioner shall allow any party to a hearing to:

14 (i) **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION**, appear
15 in person;

16 (ii) be represented:

17 1. by counsel; or

21 B. has been given the authority by the insurer to resolve all
22 issues involved in the hearing;

23 (iii) be present while evidence is given;

24 (iv) have a reasonable opportunity to inspect all documentary
25 evidence and to examine witnesses; and

26 (v) present evidence.

29 (II) THE COMMISSIONER MAY NOT REQUIRE A PARTY TO
30 PARTICIPATE VIRTUALLY IN A HEARING IF THE PARTY DEMONSTRATES THAT IT IS

1 **UNABLE TO EXERCISE ANY OF THE RIGHTS UNDER PARAGRAPH (1)(II) THROUGH (V)**
2 **OF THIS SUBSECTION BY APPEARING VIRTUALLY.**

3 **[(2)] (3)** On request of a party, the Commissioner shall issue subpoenas
4 to compel attendance of witnesses or production of evidence on behalf of the party.

5 (c) The Commissioner shall allow any person that was not an original party to a
6 hearing to become a party by intervention if:

7 (1) the intervention is timely; and

8 (2) the financial interests of the person will be directly and immediately
9 affected by an order of the Commissioner resulting from the hearing.

10 (d) Formal rules of pleading or evidence need not be observed at a hearing.

11 (e) (1) On timely written request by a party to a hearing, the Commissioner
12 shall have a full stenographic record of the proceedings made by a competent reporter at
13 the expense of that party.

14 (2) If the stenographic record is transcribed, a copy shall be given on
15 request to any other party to the hearing at the expense of that party.

16 (3) If the stenographic record is not made or transcribed, the Commissioner
17 shall prepare an adequate record of the evidence and proceedings.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
19 1, 2022.