

League_SB_982_Baltimore Life_SUPPORT.pdf

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March 26, 2026

The Honorable Pamela Beidle
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

Senate Bill 982 – Mutual Insurance Holding Companies - Conversion to Mutual Insurers

Dear Chair Beidle,

The League of Life and Health Insurers of Maryland, Inc. respectfully supports *Senate Bill 982– Mutual Insurance Holding Companies - Conversion to Mutual Insurers* and urges the committee to give the bill a favorable report.

League members are supportive of SB 982 as it will provide additional flexibility to Maryland insurers to organize their company in the way that works best for them. SB 982 expands on a bill passed in 2000, House Bill 119 – Mutual Insurance Holding Company Act, which allowed mutual insurance companies to reorganize into a stock insurance company that is majority-owned by a mutual insurance holding company. While Maryland mutual insurers valued the ability to take advantage of this structure, the original bill did not provide a mechanism for companies to revert back to their original mutual insurance company form.

SB 982 would provide companies that have maintained 100% control over their capital stock with the ability to revert to the simpler and more streamlined company structure. Importantly, SB 982 also ensures that the same process is followed whether a company is reorganizing into a holding company structure or reverting back to a mutual insurer, keeping key protections in place.

For these reasons, the League urges the committee to give Senate Bill 982 a favorable report.

Very truly yours,



Matthew Celentano
Executive Director

cc: Members, Senate Finance Committee

Baltimore Life _SB 982 Testimony FAVORABLE.pdf

Uploaded by: Sarah Case-Herron

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Annapolis, Maryland 21401

Senate Bill 982 – Mutual Insurance Holding Companies - Conversion to Mutual Insurers

Dear Chair Beidle,

On behalf of our client, the Baltimore Life Insurance Company or Baltimore Life, we are writing in support of *Senate Bill 982 – Mutual Insurance Holding Companies - Conversion to Mutual Insurers* and to request a favorable report.

Baltimore Life was founded in 1882 and has provided life insurance to seven generations of Marylanders. They are also one of only a handful of insurance companies who have taken advantage of the ability, originally conferred under House Bill 119 – Mutual Insurance Holding Company Act (2000) to convert from a mutual insurer to a mutual insurance holding company structure.

While Baltimore Life was grateful for the ability to convert to a mutual insurance holding company structure, they believe it would benefit Maryland mutual insurance holding companies to have the flexibility to potentially revert to their original mutual insurer structure. Under current law, mutual insurance companies can reorganize into the mutual holding company structure but cannot revert back to a “pure” mutual company. Senate Bill 982 would correct this issue and allow mutual insurers that have reorganized into a holding company system, if they directly or indirectly own 100% of their capital stock, to return to their original mutual insurance company structure.

The language of this bill mirrors the current process for a mutual insurer’s reorganization to a mutual insurance holding company and maintains protections for company members and policyholders. The Maryland Insurance Administration had the opportunity to review this bill and had no concerns with the language and process included.

For these reasons, Baltimore Life urges the committee to give Senate Bill 982 a favorable report.

Sincerely,

Sarah Case-Herron
Principal, Government Relations
Funk & Bolton, P.A.