

Chapter 267

(Senate Bill 928)

AN ACT concerning

Insurance – Credit for Reinsurance Model Law – Reciprocal Jurisdictions

FOR the purpose of prohibiting the Maryland Insurance Commissioner from removing from a certain list of reciprocal jurisdictions created and published by the Commissioner certain jurisdictions located outside the United States and certain jurisdictions in the United States that meet certain accreditation requirements; and generally relating to insurance and reinsurance.

BY repealing and reenacting, without amendments,
Article – Insurance
Section 5–901(a) and (g)(1) and (2)
Annotated Code of Maryland
(2017 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,
Article – Insurance
Section 5–917(b)
Annotated Code of Maryland
(2017 Replacement Volume and 2022 Supplement)

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

Article – Insurance

5–901.

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

(g) “Reciprocal jurisdiction” means a jurisdiction that is:

(1) a jurisdiction outside the United States that:

(i) is subject to an in–force covered agreement with the United States, each within its legal authority; or

(ii) in the case of a covered agreement between the United States and the European Union, is a member state of the European Union;

(2) a jurisdiction in the United States that meets the requirements for accreditation under the NAIC financial standards and accreditation program; or

5–917.

(b) (1) The Commissioner shall timely create and publish a list of reciprocal jurisdictions.

(2) The Commissioner's list shall:

(i) include any reciprocal jurisdiction as defined in § 5–901(g)(1) and (2) of this subtitle; and

(ii) consider any other reciprocal jurisdiction included on the NAIC list of reciprocal jurisdictions published through the NAIC committee process.

(3) The Commissioner may approve a jurisdiction that does not appear on the NAIC list of reciprocal jurisdictions in accordance with regulations the Commissioner adopts.

(4) (i) The Commissioner may not remove a jurisdiction that meets the requirements of a reciprocal jurisdiction from the list of reciprocal jurisdictions.

(ii) **1. [The] EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH,** THE Commissioner may remove a jurisdiction from the list of reciprocal jurisdictions on a determination that the jurisdiction no longer meets the requirements of a reciprocal jurisdiction in accordance with a process set forth in regulations the Commissioner adopts.

2. THE COMMISSIONER MAY NOT REMOVE FROM THE LIST OF RECIPROCAL JURISDICTIONS A JURISDICTION AS DEFINED IN § 5–901(G)(1) OR (2) OF THIS SUBTITLE.

(5) On removal of a jurisdiction from the list of reciprocal jurisdictions, credit for reinsurance ceded to an assuming insurer that has its home office or is domiciled in that jurisdiction shall be allowed, if otherwise allowed under this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2023.

Approved by the Governor, May 3, 2023.