

SENATE BILL 71

C4

8lr0026

(PRE-FILED)

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

Requested: September 20, 2017

Introduced and read first time: January 10, 2018

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Insurance – Certificates of Qualification for Surplus Lines Brokers –**
3 **Suspensions and Revocations**

4 FOR the purpose of correcting a certain erroneous reference in a certain provision of law
5 authorizing the Maryland Insurance Commissioner to suspend or revoke the
6 certificate of qualification of a surplus lines broker under certain circumstances; and
7 generally relating to certificates of qualification for surplus lines insurance brokers.

8 BY repealing and reenacting, with amendments,

9 Article – Insurance

10 Section 3–317

11 Annotated Code of Maryland

12 (2017 Replacement Volume)

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 3–317.

17 (a) The Commissioner may suspend or revoke the certificate of qualification of a
18 surplus lines broker:

19 (1) if the surplus lines broker fails to file the [semiannual statement]
20 **REPORT** required by this subtitle;

21 (2) if the surplus lines broker fails to remit the tax required by this subtitle;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) if the surplus lines broker fails to keep records required by this subtitle,
2 or fails to allow the Commissioner to examine those records;

3 (4) if the surplus lines broker fails to file or falsifies the affidavit required
4 by this subtitle; or

5 (5) for any applicable ground for suspending or revoking the license of an
6 insurance producer under this article.

7 (b) The Commissioner may not reinstate the certificate of qualification of a
8 surplus lines broker whose certificate has been suspended or revoked until the broker pays
9 all penalties and delinquent taxes that are owed.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 October 1, 2018.