

# SENATE BILL 555

C4

5lr0070

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

Introduced and read first time: February 6, 2015

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Life Insurance – Cash Surrender Values – Supplemental Benefits**

3 FOR the purpose of providing that the effects on the basic cash value of supplemental life  
4 insurance, annuity benefits, or family coverage as described under certain provisions  
5 of law shall be the same as the effects on cash surrender values under those  
6 provisions; and generally relating to cash surrender values.

7 BY repealing and reenacting, without amendments,

8 Article – Insurance

9 Section 16–312(a)

10 Annotated Code of Maryland

11 (2011 Replacement Volume and 2014 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – Insurance

14 Section 16–312(d)

15 Annotated Code of Maryland

16 (2011 Replacement Volume and 2014 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

18 That the Laws of Maryland read as follows:

19 **Article – Insurance**

20 16–312.

21 (a) This section applies to policies of life insurance issued on or after January 1,  
22 1986, and is in addition to any other applicable provisions of this subtitle.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (d) The effects on the basic cash value of supplemental life insurance, annuity  
2 benefits, or family coverage as described under the applicable provisions of §§ 16–305,  
3 16–307, [and] 16–308(b), **AND 16–309** of this subtitle shall be the same as the effects on  
4 cash surrender values under those applicable provisions.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 October 1, 2015.