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INSURANCE LAW BULLETIN

Re: District Court Concludes Maryland Insurance Administration Is Not The Functional Equivalent Of A State Court For Removal Purposes

In a case of first impression in Maryland, the United States District Court for the District of Maryland recently remanded an action to the Office of Administrative Hearings (the “OAH”) after concluding that the Maryland Insurance Administration (the “MIA”) was not a state court for removal purposes.

In a complaint filed with the MIA, the complainants alleged that misstatements were made at the time of purchase of their insurance policies. The MIA concluded the insurer did not violate Maryland law. Complainants requested a hearing, and the MIA delegated responsibility for the hearing to the OAH. The insurer removed the action to the United States District Court for the District of Maryland.

The District Court concluded that, although the MIA (acting through the OAH) provides many court-like procedures, it is not the functional equivalent of a state court. The Court further found that state interests supported remand.

For further information or a copy of the Court’s opinion, please contact **Bryan D. Bolton**, who represented the insurer in this matter, at 410.659.7754 or bdbolton@fblaw.com. Please visit our website at www.fblaw.com.

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