

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
	07/15/2015	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 8/21/2015

2. COMAR Codification

Title Subtitle Chapter Regulation

31 01 01 01, .04, .05

3. Name of Promulgating Authority

Maryland Insurance Administration

4. Name of Regulations Coordinator

Catherine E Grason

Telephone Number

410-468-2201

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200 St. Paul Place, Suite 2700

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Baltimore MD 21202

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5. Name of Person to Call About this Document

Catherine Grason

Telephone No.

410-468-2201

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catherine.grason@maryland.gov

6. Check applicable items:

- New Regulations
 - Amendments to Existing Regulations
 - Date when existing text was downloaded from COMAR online: May 7, 2015.
 - Repeal of Existing Regulations
 - Recodification
 - Incorporation by Reference of Documents Requiring DSD Approval
 - Reproposal of Substantively Different Text:
 - : Md. R
 - (vol.) (issue) (page nos) (date)
- Under Maryland Register docket no.: --P.

7. Is there emergency text which is identical to this proposal:

- Yes No

8. Incorporation by Reference

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

9. Public Body - Open Meeting

- OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to State Government Article, §10-506(c), Annotated Code of Maryland.
- OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

10. Children's Environmental Health and Protection

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

11. Certificate of Authorized Officer

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Lisa Hall, Assistant Attorney General, (telephone #410-468-2030) on July 10, 2015. A written copy of the approval is on file at this agency.

Name of Authorized Officer

Alfred Redmer, Jr.

Title

Insurance Commissioner

Telephone No.

410-468-2090

Date

July 14, 2015

Title 31
MARYLAND INSURANCE ADMINISTRATION

Subtitle 01 GENERAL PROVISIONS

31.01.01 General

Authority: Insurance Article, §2-109, Annotated Code of Maryland

Notice of Proposed Action

[]

The Insurance Commissioner proposes to adopt amendments to Regulations .01, .04, and .05 under 31.01.01 General.

Statement of Purpose

The purpose of this action is to make technical changes to this Chapter consistent with the Maryland Insurance Administration's Evaluation Report for COMAR 31.01 under the Regulatory Review and Evaluation Act.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

The proposed action has no economic impact.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Catherine Grason, Director of Regulatory Affairs, Maryland Insurance Administration, 200 Saint Paul Place, Ste. 2700, or call 410-468-2201, or email to insuranceregreview.mia@maryland.gov, or fax to 410-468-2020. Comments will be accepted through September 21, 2015. A public hearing has not been scheduled.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 16

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

No

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

No funds are necessary for implementation of these regulations.

E. If these regulations have no economic impact under Part A, indicate reason briefly:

The proposed changes to these regulations are technical in nature and require no implementation action on the part of the MIA.

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

The proposed changes to these regulations are technical in nature and require no implementation action on the part of the small businesses.

G. Small Business Worksheet:

Attached Document:

Title 31 MARYLAND INSURANCE ADMINISTRATION

Subtitle 01 GENERAL PROVISIONS

Chapter 01 General

Authority: Insurance Article, §2-109, Annotated Code of Maryland

.01 Authority and Purpose.

This chapter is promulgated as an aid to [effectuation of] *carry out* the statutory provisions set forth in the Insurance Article, Annotated Code of Maryland. Its purpose is to establish standards for the construction and application of all regulations heretofore and hereafter made in order to permit brevity, avoid needless repetition of language, and facilitate reference to related Code sections.

.04 Definitions Section Reference List.

Definitions	Section
Admitted Assets	5-101
<i>Advisor</i>	10-201(b)
Affiliate	7-101(b)
Alien Insurer	1-101(c)

Ancillary State	9-201(b)
Annuity	1-101(d)
Annuity Contract	1-101(e)
Association	25-401(b)
Attorney <i>in fact</i>	3-212(a)
Authorized Insurer	1-101(g)
Blanket Health Insurance	15-305
Burial Insurance	1-101(h)
Casualty Insurance	1-101(i)
Commissioner	1-101(k)
Control	7-101(c)
Controlled by	7-101(c)
Controlling	7-101(c)
Covered Claim	9-301(d)
Delinquency Proceedings	9-201(d)
Domestic Insurer	1-101(m)
Domiciliary State	9-201(e)
Doing an Insurance Business in This State	4-205(c)
Essential Property Insurance	25-401(d)
Foreign Country	9-201(f)
Foreign Insurer	1-101(n)
Franchise Health Insurance, Employees	15-1102(a)
Fraternal Benefit Societies, Society	8-402
General Assets	9-201(g)
Group Health Insurance	15-302
Group Health Insurance, Employees	15-302
Health Insurance	1-101(p)
Impaired Insurer	9-201(h)
Independent Insurance Producer	1-101(q)
Industrial Life Insurance	1-101(r)
Insurable Interest	12-301
Insurance	1-101(s)
[Insurance Advisor	10-201(b)]
Insurance Business	1-101(t)
Insurance Holding Company	7-101(d)
Insurance Holding Company System	7-101(e)
Insurance Producer	1-101(u)
Insurer	1-101(v)

Life Insurance	1-101(x)
Life Insurer	1-101(y)
Lodge System	8-402(b)
Marine Insurance	1-101(z)
Mutual Insurer	1-101(bb)
Net Direct Written Premiums	9-301(g)
Person	1-101(dd)
[Personal Insurance Insurable Interest	12-201]
Policy	1-101(ee)
Preferred Claims	9-227(a)
Premium	1-101(ff)
Premium Finance Agreement	23-101(b)
Premium Finance Company	23-101(c)
Premiums Written	25-401(f)
Property Insurance	1-101(gg)
Public Adjuster	10-401(d)
<i>Qualified Jurisdiction</i>	5-901(d)
<i>Qualified United States Financial Institution</i>	5-901(e)
Receiver	9-201(j)
Reciprocal Insurance	1-101(hh)
Reciprocal Insurer	1-101(ii)
Reciprocal State	9-201(k)
Reinsurance	1-101(jj)
Residents	27-701
Representative Form of Government	8-402(c)
Secured Claim	9-201(l)
Special Deposit Claim	9-201(m)
State	1-101(mm)
<i>State, Impaired Entities</i>	9-201(n)
Stock Insurer	1-101(nn)
Subsidiary	7-101(f)
Surety Insurance	1-101(oo)
Title Insurance	1-101(qq)
<i>Ultimate Controlling Person</i>	7-101(h)
Unauthorized Insurer	1-101(rr)
Under Common Control With	7-101(c)
Unfair & Deceptive Acts or Practices in the Business of Insurance	27-201
Unfair Methods of Competition	27-201
Wet Marine and Transportation Insurance	1-101(ss)

.05 Penalties Section Reference List.

	Section
Annual Statement Filing—[Forfeiture] <i>Penalty</i>	4-116
[Acquisitions Disclosure & Control Act—Willful Violation, etc.	7-801—7-807
Acquisitions Disclosure & Control Act—Additional Penalties	7-108]
Insurance Producer—Fine in Lieu of Revocation, etc.	10-126(c)
Insurance Producer—Licenses	10-131
Insurance Producer—License Revocation, etc.	10-126
Insurance Producer—Restitution May Be Required	10-126(d)
Enforcement in Courts	2-201
False Applications, etc.	27-406
Fraternal Benefit Society, Domestic—Injunction, etc.	8-464
Fraternal Benefit Society—License Revocation, etc.	8-424(e)
Fraternal Benefit Society—Misrepresentation	8-468
General <i>Criminal</i> Penalty, Willful Violation	1-301
Insurance Adviser—License Revocation, etc.	10-212
Insurer—[License] <i>Certificate of Authority</i> Revocation, etc.	[3-208,]4-113, 8-424(e), 9-308(b)
Insurer—Penalties in Lieu of Revocation, etc.	4-113(d)
Nonprofit Health Service Plans—License Revocation	14-112
Nonprofit Health Service Plans— [Fines, etc.] <i>Criminal Penalties</i>	14-140
Premium Finance Registrations—Revocation & Fines	23-208, 23-209
Rating Violation—Casualty & Surety Insurance	11-232
Rating Violation—Property & Marine Insurance	11-232
Rating Violation—Title Insurance	11-409
Reciprocal Insurer—[License] <i>Certificate of Authority</i> Revocation	3-208
Rules and Regulations	2-109(f)
Surplus Lines—Broker's Licenses	3-317
Surplus Lines—Evidence of Insurance-- <i>Misdemeanor</i>	3-326
[Surplus Lines—Statements and Taxes	3-325]
Unauthorized Insurers Premium Penalty <i>For Late Payment</i>	4-211
Unauthorized Insurers Act Violation	4-212

Unauthorized Insurers Premium Penalty	4-209
Undefined Unfair Trade Practices	27-104
Unfair Claim Settlement Practices	27-301—27-305
Unfair Trade Practices, [Prohibited] <i>Cease and Desist</i>	27-103
Witnesses and Evidence, <i>Failure to Comply With Subpoena, Inquiry</i>	2-203