

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
	09/25/2015	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 11/13/2015

2. COMAR Codification

Title Subtitle Chapter Regulation

31 03 05 01-.14

3. Name of Promulgating Authority

Maryland Insurance Administration

4. Name of Regulations Coordinator

Catherine E Grason

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5. Name of Person to Call About this Document

Catherine Grason

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6. Check applicable items:

- New Regulations
- Amendments to Existing Regulations
 - Date when existing text was downloaded from COMAR online: .
- Repeal of Existing Regulations
- Recodification
- Incorporation by Reference of Documents Requiring DSD Approval

X- Reproposal of Substantively Different Text:

42: 16 Md. R 1085-1088 8/7/15
 (vol.) (issue) (page nos) (date)

Under Maryland Register docket no.: 15-203-P.

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

- Yes **X- 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 #410-468-2023) on 9/23/15. A written copy of the approval is on file at this agency.

Name of Authorized Officer

Alfred W. Redmer, Jr.

Title

Insurance Commissioner

Telephone No.

410-468-2090

Date

9/24/15

Title 31
MARYLAND INSURANCE ADMINISTRATION
Subtitle 03 INSURANCE PRODUCERS AND OTHER INSURANCE
PROFESSIONALS

31.03.05 Bail Bonds

Authority: See attached document.

Notice of Proposed Action

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The Insurance Commissioner proposes to amend Regulations .01 - .07, amend and recodify existing Regulations .08, .09, .10, and .11 as Regulations .10, .11, .13, and .14 respectively, repeal existing Regulation .12, add new Regulations .08, .09, and .12 under COMAR 31.03.05 Bail Bonds, and to make technical amendments to the authority for this Chapter.

Statement of Purpose

The purpose of this action is to establish certain standards for producers providing bail bondsman services as provided for in §10-303 of the Insurance Article, Annotated Code of Maryland.

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 a meaningful economic impact on small business. An analysis of this economic impact follows.
Insofar as bail bonds services are offered through small businesses, such businesses will likely incur costs associated with implementing and carrying out the requirements of these regulations.

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 St. Paul Place, Ste. 2700, Baltimore, MD 21202, or call

410-468-2201, or email to insurancereview.mia@maryland.gov, or fax to 410-468-2020. Comments will be accepted through November 16, 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:

This regulations will be implemented with existing resources.

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

No additional funds are required for implementation.

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

G. Small Business Worksheet:

Attached Document:

Title 31 MARYLAND INSURANCE ADMINISTRATION

Subtitle 03 INSURANCE PRODUCERS AND OTHER INSURANCE PROFESSIONALS

Chapter 05 Bail Bonds

Authority: Insurance Article, §§2-108, [and] 2-109, 10-126 and Title 10, Subtitle 3, Annotated Code of Maryland

.01 (originally proposed text unchanged)

.02 Definitions.

A. (originally proposed text unchanged)

B. Terms Defined.

(1)-(9) (originally proposed text unchanged)

(10) “Indemnity agreement” means a written surety agreement that is ~~executed~~ **entered into** by a bail bondsman and a person ~~in which the person agrees to pay and the bail bondsman agrees to accept a premium for the issuance of a bail bond, subject to certain terms and conditions~~ **who agrees to indemnify a bail bondsman or surety insurer.**

(11)-(17) (originally proposed text unchanged)

.03 Prohibited Actions.

A.-B. (originally proposed text unchanged)

C. A bail bondsman ~~may not submit an affidavit required under Maryland Rule 4-217 to a court that relies on a promissory note unless the promissory note has been executed by the person signing the indemnity agreement or the defendant before the bail bondsman submits the affidavit to the court~~ **shall not submit to any clerk, District Court commissioner, or other person authorized by law to take a bail bond, a document representing consent by any person unless the document has been fully executed.**

.04-.08 (originally proposed text unchanged)

.09 Installment Agreement.

A. An installment agreement shall be signed by a bail bondsman and the person who ~~signed the indemnity agreement~~ **has agreed to pay the additional premium in installments.**

B. –E. (originally proposed text unchanged)

[.08] .10- [.09] .11 (originally proposed text unchanged)

.12 Forms.

A bail bondsman shall:

A. (originally proposed text unchanged)

B. Provide the person ~~signing the indemnity agreement with a copy of each document relating to the bail bond at the time~~ **to whom the bail bondsman services are provided** ~~with a copy of:~~

(1) A premium receipt at the time the premium is paid;

(2) A collateral receipt at the time the collateral is given; and

(3) An installment agreement or indemnity agreement at the time that any such document is signed.

[.10] .13 - [.11] .14 (originally proposed text unchanged)

[.12 Pretrial Release. (originally proposed text unchanged)]