

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulations  
Maryland Insurance Administration  
(DLS Control No. 16-055)**

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## **Overview and Legal and Fiscal Impact**

The repropoed regulations make technical corrections to proposed regulations on forms and filings required under the Maryland Insurance Acquisition Disclosure and Control Act originally published in the January 22, 2016 issue of the *Maryland Register*. The analysis of the original proposal is found under DLS Control No. 15-425.

The repropoed regulations presents no legal issues of concern.

There is no fiscal impact on State or local agencies.

## **Regulations of COMAR Affected**

### **Maryland Insurance Administration:**

Insurers: Form Filings Under Maryland Insurance Acquisitions Disclosure and Control Act: COMAR 31.04.18.02-.14

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## **Legal Analysis**

### **Background**

The Maryland Insurance Acquisitions Disclosure and Control Act was significantly amended by Chapter 115 of 2013, which conformed Maryland law to an updated model act promulgated by the National Association of Insurance Commissioners, Model 440. The repropoed regulations align existing regulations on acquisitions disclosure and control form filings to the amended statute. The original proposal was published in the January 22, 2016 issue of the *Maryland Register*. The analysis of the original proposal is found under DLS Control No. 15-425.

### **Summary of Regulations**

The repropoed regulations make technical corrections to proposed regulations on forms and filings required under the Maryland Insurance Acquisition Disclosure and Control Act. The alterations to definitions in Regulation .02 correct cross-references. In Regulation .08, the reproposal requires a person seeking to acquire control of a domestic insurer to file a copy of a specified form with the targeted domestic insurer, as well as with the Maryland Insurance Commissioner. The changes to Regulations .09B and .13A authorize the Commissioner to extend

certain filing deadlines “for good cause shown”. The change to Regulation .09C as originally proposed deletes the required filing of an amendment to the annual registration. The remaining changes are clarifying and technical.

### **Legal Issues**

The repropoed regulations present no legal issues of concern.

### **Statutory Authority and Legislative Intent**

The Maryland Insurance Administration cites §§ 2-109 and 2-209.1 and Title 7 of the Insurance Article as statutory authority for the repropoed regulations. These provisions are the administration’s authority to adopt regulations, a reference to a national supervisory college to which the Maryland Insurance Acquisition Disclosure and Control Act refers, and the Act itself, respectively.

This authority is correct and complete. The repropoed regulations comply with the legislative intent of the law.

### **Fiscal Analysis**

There is no fiscal impact on State or local agencies.

### **Agency Estimate of Projected Fiscal Impact**

The administration advises that the regulations have no impact on State or local governments. The Department of Legislative Services concurs and notes that the regulations implement provisions of House Bill 431 of 2013 (enacted as Chapter 115). Any fiscal impact has already been assumed under the fiscal and policy note for House Bill 431.

### **Impact on Budget**

There is no impact on the State operating or capital budget.

### **Agency Estimate of Projected Small Business Impact**

The administration advises that the regulations have minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

### **Contact Information**

**Legal Analysis:** Robert K. Smith – (410) 946/(301) 970-5350

**Fiscal Analysis:** Richard L. Duncan – (410) 946/(301) 970-5510