

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulation
Maryland Insurance Administration
(DLS Control No. 16-131)**

Overview and Legal and Fiscal Impact

The regulation corrects a term used in an existing provision on lapsed life insurance policies.

The regulation presents no legal issues of concern.

There is no fiscal impact on State or local agencies.

Regulation of COMAR Affected

Maryland Insurance Administration:

Life Insurance and Annuities: Notice of Nonforfeiture Provisions in Lapsed Life Policies:
COMAR 31.09.06.01

Legal Analysis

Summary of Regulation

The regulation substitutes the term fraternal benefit “society” for the former term fraternal benefit “association” used in an existing notice provision concerning the equity value of a lapsed policy of life insurance. The term fraternal benefit “society” is used in the substantive provisions governing those entities under Title 8, Subtitle 4 of the Insurance Article.

Legal Issues

The regulation presents no legal issues of concern.

Statutory Authority and Legislative Intent

The Maryland Insurance Administration cites § 2-109 and Title 16, Subtitle 3 of the Insurance Article as statutory authority for the regulation. Section 2-109 is the general regulatory authority of the administration. Title 16, Subtitle 1 contains the provisions on life insurance nonforfeiture.

This authority is correct and complete. The regulation complies 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 regulation has no impact on State or local governments. The Department of Legislative Services concurs.

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 regulation has minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

Contact Information

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