

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulations
Maryland Insurance Administration
(DLS Control No. 16-152)**

Overview and Legal and Fiscal Impact

The regulations update terminology concerning reinsurance in several existing provisions.

The regulations present legal issues of concern.

There is no fiscal impact on State or local agencies.

Regulations of COMAR Affected

Maryland Insurance Administration:

Life Insurance and Annuities: Charitable Gift Annuities: Required Reserves:
COMAR 31.09.07.03

Credit Life and Credit Health Insurance:

Standards for Credit Life and Credit Health Insurance: COMAR 31.13.01.04 and .21

Credit Life and Credit Health Reinsurance: COMAR 31.13.02.02, .03, and .04

Standards for Credit Involuntary Unemployment Benefit Insurance:
COMAR 31.13.03.04 and .16

Legal Analysis

Summary of Regulations

The regulations substitute the defined term “accredited reinsurer” for the former term “assuming reinsurer” in several existing provisions on charitable gift annuities, credit life and credit health insurance and reinsurance, and credit involuntary unemployment benefit insurance. The new term corresponds to language used in the statute on ceding insurers and reinsurance that was updated under Chapter 321 of 2013.

Legal Issues

The regulations present no legal issues of concern.

Statutory Authority and Legislative Intent

The Maryland Insurance Administration cites § 2-109 of the Insurance Article, the agency’s general authority to adopt regulations, as statutory authority for the regulations. In

addition, the administration cites §§ 16-114 (charitable gift annuities); 13-110, 13-111, and 13-112 (premium rates, refunds, and claims for credit life and credit health insurance); and all of Title 13 (credit life, credit health, and credit involuntary unemployment benefit insurance) of the Insurance Article as statutory authority for the particular COMAR chapters affected.

This authority is correct and complete. The 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.

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.

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