

C. Bonding; Financial Guarantees.

(1) A supplier seeking to be licensed to provide supplier-consolidated billing shall provide and maintain bonding or financial guarantees with the Commission in the amount of \$500,000.

(2) The total financial guarantee required under this regulation may include the bond or other form of financial guarantee submitted as proof of financial integrity under §A of this regulation.

(3) A supplier seeking to be licensed to provide supplier-consolidated billing services or providing supplier-consolidated billing services may petition the Commission to lower the total bonding or financial guarantee requirement of \$500,000.

[C.] D. [The] Any bond required under §A or C of this regulation shall at a minimum:

(1)—(4) (text unchanged)

[D.] E. [The] Any bond required under §A or C of this regulation shall be obtained from a company licensed in the State to write surety types of insurance.

[E.] F. In the event a letter of guarantee or other financial instrument is required under §A or C of this regulation, the guarantor shall submit a balance sheet and income statement to the Commission.

20.54.03 Gas Supplier License Requirements

Authority: Public Utilities Article, §§2-113, 2-121, 5-101, 7-507, 7-511, and 7-601 — [7-604, and] 7-606, Annotated Code of Maryland

.01 Licensee's Updated Information.

A. Material Changes.

(1) Within 30 days of a material change, a licensed gas supplier shall:

[(1)] (a) Update or supplement the information required in the application under COMAR 20.54.02.02 B(1), (4), (5), and (8) and COMAR 20.54.02.02C; and

[(2)] (b) (text unchanged)

(2) A supplier providing supplier-consolidated billing shall, in addition to §A(1) of this regulation, also update or supplement the following material changes:

(a) The transfer of the conduct of supplier-consolidated billing services from the supplier to a third-party agent;

(b) The transfer of supplier-consolidated billing services from one third-party agent to another third-party agent; or

(c) The cancellation of the bond or collateral guaranteeing protection of customers participating in supplier-consolidated billing required under COMAR 20.54.02.08C.

B.—C. (text unchanged)

.03 Requirement — Collection of Prepayment or Deposit.

A.—B. (text unchanged)

C. Six months after the posting of the initial bond, or when the amount of deposits or prepayments exceed the initial bond required by this regulation, whichever is earlier, a gas supplier shall:

(1)—(3) (text unchanged)

D.—F. (text unchanged)

.05 Gas Supplier License — Cessation of Business.

A. A licensee shall provide 60 days prior written notice to the Commission of an intention to cease providing service in the State to all customers:

(1) In a specified gas company service area; [or]

(2) Within a specified customer class; or

(3) A specified type of billing.

B. (text unchanged)

C. If a supplier ceases providing a particular type of billing service, notice to customers, at a minimum, shall specify the following:

(1) That the supplier will no longer provide the specific type of billing service to customers in the State, service territory, or to a customer class, as applicable;

(2) The billing method to which the customer will be subject after the supplier ceases to offer the current billing method it was providing; and

(3) The date on which the customer's current billing service will cease and the new billing service will begin.

D. If the supplier that is ceasing a specific type of billing service intends to retain a customer on a different billing model, the supplier shall follow COMAR 20.59.05.06.

ANDREW S. JOHNSTON
Executive Secretary

**Title 31
MARYLAND INSURANCE
ADMINISTRATION**

**Subtitle 03 INSURANCE PRODUCERS
AND OTHER INSURANCE
PROFESSIONALS**

**31.03.13 Producer Registers and Documentation
of Appointments**

Authority: Insurance Article, §§2-109(a)(1), 10-103(c), and 10-118(j), Annotated Code of Maryland

Notice of Proposed Action

[21-067-R]

The Insurance Commissioner proposes to amend Regulations .02 and .04 under COMAR 31.03.13 **Producer Registers and Documentations of Appointments**. Because substantive changes have been made to the original proposal as published in 48:11 Md. R. 432 (May 21, 2021), this action is being repropounded at this time.

Statement of Purpose

The purpose of this action is to amend Regulation .04 to remove the requirement that an insurer shall provide the insurance producer with written documentation which includes the insurance producer's residence or business address within 30 days of appointment. This requirement is being removed as unduly burdensome on the insurer because many insurance producers work out of multiple locations.

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.

PROPOSED ACTION ON REGULATIONS

1090

Opportunity for Public Comment

Comments may be sent to Lisa Larson, Director of Regulations, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202, or call 410-468-2007, or email to insuranceregreview.mia@maryland.gov, or fax to 410-468-2020. Comments will be accepted through January 3, 2022. A public hearing has not been scheduled.

.02 (originally proposed text unchanged)

.04 Documentation of Appointment.

A. Within 30 days after appointing an insurance producer, an insurer shall provide the insurance producer with written documentation of the appointment that contains, at a minimum:

(1)—(3) (originally proposed text unchanged)

(4) If the insurance producer is an individual, [the first and last name of the individual and, if known, the middle name or middle initial of the individual] *the first and last name* [[[and residence or business address]]] *of the individual*;

(5) If the insurance producer is a business entity,[[[

(a)]]] [the] [[[The]]], **the** name of the business entity; [[[and

(b) *The address of the business entity;*]]]

(6)—(7) (originally proposed text unchanged)

B. (originally proposed text unchanged)

KATHLEEN A. BIRrane
Insurance Commissioner