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Governor

BOYD K. RUTHERFORD  
Lt. Governor



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June 2, 2015

Administrative, Executive and Legislative Review (AELR) Committee  
90 State Circle  
Annapolis, MD 21401

Governor's Office  
Attn: Mike Richard, Deputy Chief of Staff  
State House  
Annapolis, MD 21401

Division of State Documents  
State House  
Annapolis, MD 21401

State Publications Depository and Distribution Program  
Attn: Brigid Sye-Jones  
Enoch Pratt Free Library  
400 Cathedral St.  
Baltimore, MD 21201

Department of Legislative Services Library  
90 State Circle  
Annapolis, MD 21401

RE: Regulatory Review and Evaluation Act Evaluation Report-COMAR 31.03

Dear Sir or Madam:

I am filing the required number of copies of the attached Evaluation Report on behalf of the Maryland Insurance Administration as follows:


- AELR Committee-one copy
- Governor's Office (Mike Richard)-one copy
- Division of State Documents-one copy

- State Library Resource Center via State Publications Depository and Distribution Program (Brigid Sye-Jones)-sixteen copies
- Department of Legislative Services Library-five copies

If you have any questions, or require additional information, please contact me at the above-referenced telephone number and email address.

Sincerely,

*Signature on original*



Catherine Grason  
Director of Regulatory Affairs, Office of the Commissioner

cc: Al Redmer, Insurance Commissioner  
Victoria August, Associate Commissioner, Compliance and Enforcement Unit

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.01

Chapter Name: Temporary Licensees

Authority: Insurance Article, §§2-109, 10-113, 10-120, and 10-126, Annotated Code of Maryland

Date Originally Adopted or Last Amended: April 10, 2006

Purpose: This chapter sets forth rules governing the issuance of a temporary producer license, as provided for in §10-120 of the Insurance Article.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

The National Association of Insurance Commissioners (NAIC) Producer Licensing Model Act (MDL-218, Section 11) was reviewed in consideration of this evaluation. This chapter is substantively similar to the Model Act.

(8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to temporary licensees being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to temporary licensees requiring the promulgation of regulations or amendments to COMAR 31.03.01.

D. Actions Needed. (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland) (check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. This chapter is needed to carry out §10-120 of the Insurance Article.  
No changes are recommended at this time.

Person performing review: Catherine Grason, Esq.

Title: Director of Regulatory Affairs

**Regulatory Review and Evaluation Act**  
**Evaluation Report Form**  
**2012 – 2020**

Chapter Codification: COMAR 31.03.02

Chapter Name: Insurance Producers-Continuing Education Requirements

Authority: Insurance Article, §§2-109, 10-115, and 10-116, Annotated Code of Maryland

Date Originally Adopted or Last Amended: February 1, 2015

Purpose: This chapter sets forth rules governing the continuing education requirements for insurance producers and other insurance professionals, as provided for in §10-115 and 10-116 of the Insurance Article.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

The MIA consulted several "guidelines" documents adopted by the National Association of Insurance Commissioners (NAIC) in drafting its 2014 amendments to this chapter. Specifically, "Continuing Education (CE) Standardized Terms—Definitions," adopted by the Producer Licensing (EX) Task Force November 20, 2013, and "Course Guidelines for Classroom Webinar/Webcast Delivery," adopted by the Producer Licensing (EX) Working Group Apr. 27, 2014, were consulted.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to continuing education requirements for insurance producers being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to continuing education requirements for insurance producers requiring the promulgation of regulations or amendments to COMAR 31.03.02.

**D. Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland)  
(check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to provide insurance producers and professionals with continuing education requirements. These requirements were substantially amended on September 9, 2014 with an effective date February 1, 2015. The purpose of the amendments was to better conform these regulations to NAIC approved guidelines on continuing education for producers. No changes are recommended at this time.

Person performing review:

Catherine Grason, Esq.

Title:

Director of Regulatory  
Affairs



**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.03

Chapter Name: Fiduciary Responsibility of Insurance Producers: Premium Accounts — Commingling of Funds

Authority: Insurance Article, §§2-109 and 10-126, Annotated Code of Maryland

Date Originally Adopted or Last Amended: April 10, 2006

Purpose: This chapter sets forth rules governing the commingling of an insurance producer's personal funds with an insurance producer's premium monies.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to the commingling of an insurance producer's personal funds with an insurance producer's premium monies being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to the commingling of an insurance producer's personal funds with an insurance producer's premium monies requiring the promulgation of regulations or amendments to COMAR 31.03.03.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland) (check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to ensure that premium monies are not improperly deposited into or withdrawn from an insurance producer's personal accounts. No changes are recommended at this time.

Person performing review: Catherine Grason, Esq.  
Title: Director of Regulatory Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.04

Chapter Name: Regulation Restricting Licensed Insurance Producers to Placing Maryland Risks for State Citizens with Authorized Insurers

Authority: Insurance Article, §§2-109, 4-201, 4-203 and 4-205, Annotated Code of Maryland

Date Originally Adopted or Last Amended: October 1, 2014

Purpose: This chapter establishes that it is an unfair trade practice in the business of insurance for any insurance producer licensed both in Maryland and in another state or the District of Columbia to place insurance on risks located in Maryland for Maryland citizens with insurers not authorized to do business in this State.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to unfair trade practices for insurance producers being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to unfair trade practices for insurance producers requiring the promulgation of regulations or amendments to COMAR 31.03.04.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland) (check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to ensure that insurance risks in Maryland are not issued by non-resident insurers who are not authorized to do business in Maryland. No changes are recommended at this time.

Person performing review: Catherine Grason, Esq.

Title: Director of Regulatory Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.05

Chapter Name: Bail Bonds

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

Date Originally Adopted or Last Amended: April 10, 2006

Purpose: The purpose of this chapter is to set forth regulatory requirements for certain bail bondsmen subject to Title 10, Subtitle 3, Annotated Code of Maryland.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration’s (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

Draft proposed amendments to this chapter were published on the MIA website on June 24, 2013. Based upon comments received, the proposed amendments were updated and published in the *Maryland Register* on February 7, 2014 as proposed. The MIA received additional comments on the proposed rule. Although the proposed rule has since been deemed withdrawn due to lapse of time, the MIA continues to review this chapter for potential changes. The MIA may publish new proposed regulations later this year similar to the aforementioned initiatives, informed by stakeholder feedback.



C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to regulatory requirements for certain bail bondsmen being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to regulatory requirements for certain bail bondsmen requiring the promulgation of regulations or amendments to COMAR 31.03.05.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland) (check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to regulate the bail bondsman industry to protect consumers. While the MIA recommends no action at this time, the MIA may publish new proposed regulations later this year based upon earlier proposals to this chapter (see B(8) above).

Person performing review: Catherine Grason, Esq.

Title: Director of Regulatory Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.07

Chapter Name: Installment Vendors Doing Business In Maryland (Such as Auto Dealers, Boat Dealers, Appliance Dealers, Loan Companies)

Authority: Insurance Article, §§1-201, 2-109, 10-103, 10-130, and 10-131, Annotated Code of Maryland

Date Originally Adopted or Last Amended: April 10, 2006

Purpose: The purpose of this chapter is to clarify that installment vendors selling insurance in conjunction with retail installment sales must have proper insurance producer licenses.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)-(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to regulatory requirements for certain installment vendors being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to regulatory requirements for certain installment vendors requiring the promulgation of regulations or amendments to COMAR 31.03.07.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland) (check all that apply)

no action

amendment

X repeal (in part)

repeal and adopt new regulations

reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to clarify the licensing requirements for installment vendors doing business in Maryland, however, the MIA recommends the repeal of 31.03.07.04. This regulation, which was last amended in 2006, advises that the MIA “will, in the near future, inspect installment vendors' operations to determine whether or not the referenced provisions of the Insurance Article, Annotated Code of Maryland, are being observed and carried out.” This regulation is no longer necessary, as initial inspections to ensure compliance with this chapter are not pertinent to compliance with the chapter presently and on a going forward basis.

Person performing review:

Catherine Grason, Esq.

Title:

Director of Regulatory Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.09

Chapter Name: Staggered System for Renewal of Licenses

Authority: Insurance Article, §§2-108, 2-109, 10-115 and 10-116, Annotated Code of Maryland

Date Originally Adopted or Last Amended: April 10, 2006

Purpose: The purpose of this chapter is to establish a staggered system for producer license renewal.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the Maryland Register;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to the staggering of producer license renewals being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to the staggering of producer license renewals requiring the promulgation of regulations or amendments to COMAR 31.03.09.

**D. Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland)  
(check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to clarify the fees and continuing education requirements for producer license renewal. The MIA is presently reviewing §10-116 of the Insurance Article to assess the need to update license renewal notification methods so as to include electronic notification via e-mail; however, no regulatory changes are recommended to this chapter at this time.

Person performing review:

Catherine Grason, Esq.

Title:

Director of Regulatory  
Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification:

Chapter Name:

Authority:

Date Originally Adopted or Last Amended:

Purpose:

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.



- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to trade associations or similar organizations that use the term "insurance adviser" or a similar term in the name of the association or organization being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to trade associations or similar organizations that use the term "insurance adviser" or a similar term in the name of the association or organization requiring amendments to COMAR 31.03.10.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland)  
(check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to clarify that members of trade associations or similar organizations that use the term "insurance adviser" or a similar term in the name of the association or organization need not necessarily be licensed as insurance producers. No changes are recommended at this time.

Person performing review: Catherine Grason, Esq.

Title: Director of Regulatory Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.11

Chapter Name: Motor Vehicle Rental Companies — Limited Lines License

Authority: Insurance Article, §2-109, and Title 10, Subtitle 6; Annotated Code of Maryland

Date Originally Adopted or Last Amended: September 1, 2002

Purpose: The purpose of this chapter is to set forth the process by which motor vehicle rental companies that sell or offer any insurance coverage in this State to a motor vehicle renter in connection with, and incidental to, a motor vehicle rental agreement must obtain a limited lines license.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration's (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State's Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the *Maryland Register*;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to limited lines licenses for motor vehicle rental companies being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to limited lines licenses for motor vehicle rental companies requiring amendments to COMAR 31.03.11.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland)  
(check all that apply)

- no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to clarify Title 10, Subtitle 6 of the insurance article. No changes are recommended at this time.

Person performing review: Catherine Grason, Esq.

Title: Director of Regulatory Affairs

**Regulatory Review and Evaluation Act  
Evaluation Report Form  
2012 – 2020**

Chapter Codification: COMAR 31.03.13

Chapter Name: Producer Registers and Documentation of Appointments

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

Date Originally Adopted or Last Amended: August 14, 2006

Purpose: The purpose of this chapter is to set forth procedures for the maintenance of producer registers by insurers and the documentation of producer appointments.

**A. Review Criteria.** (State Government Article, §10-132(1)(i), Annotated Code of Maryland; COMAR 01.01.2003.20E)

- (1) Do the regulations continue to be necessary for the public interest?  Yes  No
- (2) Do the regulations continue to be supported by statutory authority and judicial opinion?  Yes  No
- (3) Are the regulations obsolete or otherwise appropriate for amendment or repeal?  Yes  No
- (4) Are the regulations effective in accomplishing their intended purpose?  Yes  No

**B. Outreach and Research.** (State Government Article, §10-135(a)(2)(i)–(viii), Annotated Code of Maryland)

- (1) List any stakeholders invited to review the regulations and provide a summary of their participation in and input into the review process.

Insurers, producers, and consumers were alerted to the review via notices posted on the following pages of the Maryland Insurance Administration’s (MIA) website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Notices included an invitation to comment, along with a contact name and information. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (2) List any other affected agencies that were invited to review the regulations and provide a summary of their participation in and input into the review process.

All State agencies were notified through publication in the *Maryland Register* and on the Secretary of State’s Division of State Documents (DSD) website. No comments were received.

- (3) Describe the process used to solicit public comment, including:
- (a) any notice published in the Maryland Register;
  - (b) any notice published in newspapers of general circulation;
  - (c) any notice posted on the unit's website or on a Statewide website created for units to post notices of regulation review;
  - (d) any mailing by the adopting authority; and
  - (e) any public hearing held.

Notice was published in the *Maryland Register*, on the DSD website, and on the following pages of the MIA website: Proposed Regulations, News Center, For Insurers, For Producers, and For Consumers. In addition, subscribers to these web pages received an email message alerting them to the regulatory review notice. Every notice included an email link for people wishing to submit comments. Comments were collected for sixty (60) days. No comments were received.

- (4) Provide summaries of:
- (a) all comments received from stakeholders, affected units, or the public; and
  - (b) the adopting authority's responses to those comments.

N/A.

- (5) Describe any interunit conflict reviewed and the resolution or proposed resolution of that conflict.

N/A.

- (6) Provide a summary of any relevant scientific data gathered.

N/A.

- (7) Provide a summary of any relevant information gathered related to the regulations of other states or the federal government.

N/A.

- (8) Provide a summary of any other relevant information gathered.

N/A.

C. Under COMAR 01.01.2003.20E(3), does the agency have any existing policy statements, guidelines, or standards being applied or enforced which should be promulgated as regulations, in accordance with the Administrative Procedure Act?  Yes  No

Has the agency promulgated all regulations required by recent legislation?  Yes  No

Provide explanations of the above responses, as needed:

N/A. There are no existing policy statements, guidelines, or standards pertaining to producer registers or documentation of producer appointments being applied or enforced which should be promulgated as regulations in accordance with the Administrative Procedure Act. Likewise, there is no recent legislation pertaining to producer registers or documentation of producer appointments requiring amendments to COMAR 31.03.13.

D. **Actions Needed.** (State Government Article, §10-135(a)(2)(ix) – (xi), Annotated Code of Maryland) (check all that apply)

- X no action
- amendment
- repeal
- repeal and adopt new regulations
- reorganization

Summary:

This chapter continues to be necessary for the public interest, and continues to be supported by statutory authority and judicial opinions. These regulations continue to be relevant and necessary to provide the necessary procedures for appointments and producer registers, including content and retention requirements. No changes are recommended at this time.

Person performing review:

Catherine Grason, Esq.

Title:

Director of Regulatory Affairs