***.10 Assessment of Costs and Fees.***

*A. Easement Amendment Costs. The Foundation shall assess and the farm owner shall agree to pay the costs of amending an agricultural land preservation easement approved for purchase by the Board of Public Works prior to June 30, 2014 in a manner that permits the uses allowed by this chapter. The costs shall be determined on a case-by-case basis.*

*B. Monitoring and Enforcement Fees. If the Foundation approves an ARES for a farm, the Foundation shall assess the farm owner an annual fee to reimburse the Foundation for monitoring and enforcement costs associated with the uses provided by this chapter. This fee is payable to the Foundation on January 1st of each year following the approval of the ARES, and may be modified from time to time. The fee shall continue to be assessed each year until the facility agreement is terminated, the ARES is dismantled and the land reclaimed for agricultural use, as determined by the Foundation.*

***.11 Required Lease Payments to the Foundation.***

*A. If an ARES owner enters into a facility agreement with a farm owner, the ARES owner shall annually pay the Foundation 5 percent of any payment made to the farm owner as a result of a facility agreement. The payments required under this regulation shall be pro-rated for any partial year in which payments are made to the farm owner as a result of a facility agreement. Any facility agreement between an ARES owner and a farm owner must include an express term to require this mandatory payment to the Foundation.*

*B. Both the ARES owner and the farm owner shall provide the Foundation with a copy of all facility agreements concerning the ARES facility on the farm.*

*C. Both the ARES owner and the farm owner shall notify the Foundation, in writing, of any amendments, modifications, renewals or terminations to facility agreements concerning the ARES on the farm.*

***.12 Required Removal of ARES and Bond Requirement.***

*A. If an ARES is scheduled to stop operations, the farm owner and the ARES owner or operator shall notify the Foundation, in writing, no less than 30 days prior to the date when the ARES will cease to operate.*

*B. If the ARES owner enters into a facility agreement with the farm owner, the facility agreement shall require the ARES owner to remove all materials related to an ARES within 180 days of the last operation date of the ARES.*

*C. If an ARES is not subject to a facility agreement, the farm owner shall remove all materials related to the ARES within 180 days of the last operation date of the ARES.*

*D. The ARES, along with any related structures or equipment, shall be removed in a manner to ensure that the agricultural productivity of the soil is restored to the greatest extent possible, including but not limited to, the following:*

*(1) Removal shall be done in accordance with an approved conservation plan that addresses soil and water resource concerns;*

*(2) All facilities, structures and equipment shall be removed from the farm, including underground foundations and cables; and*

*(3) Excavated areas shall be backfilled with clean sub-grade material covered by a layer of topsoil, with the depth of restored topsoil consistent with the depth of topsoil of the surrounding land.*

*E. If the Foundation approves an ARES on a farm, and before construction of the ARES begins, the farm owner or ARES owner shall post a bond or other security in favor of the Foundation to ensure that all materials related to the ARES can be removed from the farm property as required by this regulation. The Foundation, in its sole and absolute discretion, may release the bond or security required by this regulation only after determining that all obligations to remove material related to the ARES from the farm property are satisfied. The bond or security required by this regulation may be satisfied by a comprehensive decommissioning bond posted by the ARES owner, so long as such bond satisfies the criteria of this regulation. The required bond or security shall satisfy the following requirements.*

*(1) The amount of the bond or security required by this regulation shall be sufficient to pay all costs to remove from the farm any material related to the ARES.*

*(2) The amount of the bond or security shall be established by a good faith estimate, prepared by a business qualified to remove the ARES from the farm. The farm owner or ARES owner is responsible for acquiring the good faith estimate.*

*(3) The bond or security shall account for inflation over the term of the facility agreement or the projected life of the ARES if there is no facility agreement.*

*(4) The bond or security shall be issued by an entity licensed to do business in Maryland.*

*(5) The bond or security shall expressly state that the Foundation may enforce the instrument in Maryland court under Maryland law.*

***13. Violations.***

*A. A farm owner who violates any federal, State, or local laws regarding the operation of an ARES is in violation of the easement and is subject to civil penalties under Agriculture Article, §2-519, Annotated Code of Maryland.*

*B. A farm owner who violates the Foundation's approval conditions for an ARES is in violation of the easement and is subject to all legal remedies available to the Foundation to enforce the terms of the easement, including civil penalties under Agriculture Article, §2-519, Annotated Code of Maryland.*

JOSEPH BARTENFELDER
Secretary of Agriculture

# Title 31
# MARYLAND INSURANCE ADMINISTRATION

## Subtitle 04 INSURERS

### Notice of Proposed Action

[16-082-P]

The Insurance Commissioner proposes to amend:

(1) Regulations **.01** and **.03** under **COMAR 31.04.01 Examination of Insurers**;

(2) Regulation **.01** under **COMAR 31.04.06 Conflict of Interests**;

(3) Regulation **.03** under **COMAR 31.04.17 Filing of Forms for Approval**;

(4) Regulations **.02** and **.05** under **COMAR 31.04.19 Filing of Forms Under File and Use Method**; and

(5) Regulation **.04** under **COMAR 31.04.22 Title Insurers**.

### Statement of Purpose

The purpose of this action is to adopt amendments to COMAR 31.04 Insurers consistent with the Regulatory Review and Evaluation Report for this chapter as follows:

(1) Technical amendments to Regulations .01 and .03 under COMAR 31.04.01 Examination of Insurers are being proposed to change the term "accepted reinsurer" to "accredited reinsurer," and to change the term "accepted fronting reinsurer" to "fronting reinsurer," consistent with statute. Additionally, an inaccurate cross reference is being corrected;

(2) Technical amendments to the enabling authority under COMAR 31.04.06 Conflict of Interests are being proposed, and technical amendments to Regulation .01 under this chapter are being made to make the language consistent with the National Association of Insurance Commissioners' current annual statement;

(3) Technical amendments to the enabling authority under COMAR 31.04.17 Filing of Forms for Approval are being proposed, and a new §O is being added under Regulation .03 of this chapter to formally require annuities contracts and certificates that are subject to Maryland's nonforfeiture laws to file a mathematical outline, consistent with current regulatory practices;

(4) Technical amendments are being proposed to Regulations .02 and .05 under 31.04.19 Filing of Forms Under File and Use Method to correct an inaccurate cross-reference, and to change the term "stop-loss insurance" to "medical stop-loss insurance," consistent with cross-references used in this definition. "Individual health benefit plans" are also being added to the list of health insurance applications that may not be filed under the file and use method in Regulation .05B of this chapter; and

(5) Technical amendments are being proposed to Regulation .04 under COMAR 31.04.22.04 Title Insurers to correct inaccurate cross-references.

**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.

**Opportunity for Public Comment**

Comments may be sent to Catherine Grason, Director of Regulatory Affairs, Maryland Insurance Administration, 200 St. Paul Place, Ste. 2700, Baltimore, MD 21202, or call 410-468-2201, or email to insuranceregreview.mia@maryland.gov, or fax to 410-468-2020. Comments will be accepted through May 1, 2016. A public hearing has not been scheduled.

## 31.04.01 Examination of Insurers

Authority: Insurance Article, §§2-109, 2-205, 2-207, 2-208, 2-209, 3-303, 3-318, 3-319, 4-116, 5-201, 5-903, 5-904, 8-461, 8-462, 13-116, 14-125, and 14-411; Health-General Article, §§19-717 and 19-718; Annotated Code of Maryland

**.01 Applicability.**

A. (text unchanged)

B. Regulations .03 and .04 of this chapter are applicable to a person who acts as an insurer in this State, including dental plan organizations, fraternal benefit societies, health maintenance organizations, nonprofit health service plans, and [accepted] *accredited* reinsurers.

**.03 Conduct of Examination; Filing of Examination Report.**

A. This regulation applies to:

(1)—(3) (text unchanged)

(4) [An accepted] *A* fronting reinsurer subject to examination under Insurance Article, §13-116, Annotated Code of Maryland;

(5) An [accepted] *accredited* reinsurer subject to examination under Insurance Article, Title 5, Subtitle 9, Annotated Code of Maryland;

(6) (text unchanged)

(7) A health maintenance organization subject to examination under [Health-General Article, §19-718] *Insurance Article, §2-205(b)(1)(v)*, Annotated Code of Maryland.

B.—C. (text unchanged)

## 31.04.06 Conflict of Interests

Authority: Insurance Article, §§2-109, 4-113(a)(7)—(9), and [4-115] *4-116*, Annotated Code of Maryland

**.01 Interrogatory.**

In order to assure disclosure of possible conflict of interests, foreign and domestic companies shall be able to answer in the affirmative the following interrogatory which is contained in the *"General Interrogatories" section of the National Association of Insurance Commissioners (NAIC)* annual statement:

"Has the [company] *reporting entity* an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees, or responsible employees which is in, or is likely to, conflict with the official duties of such persons?"

## 31.04.17 Filing of Forms for Approval

Authority: Insurance Article, §§2-109, 8-433(a), 12-203(a)(1)(i) and (2) and (b), 13-110(a), 14-109(3)(iv), 14-110(a)(2)(iii)1, 14-126, 14-405(b)(8) and (9), 14-410(c), 15-904, [15-906, 15-907, 15-908, and 15-911] *and 16-504(e)*[; Health-General Article, §19-713;], Annotated Code of Maryland

**.03 Filing of Forms for Approval.**

A.—N. (text unchanged)

*O. Except for an annuity contract that is listed as exempt under Insurance Article, §16-501, Annotated Code of Maryland, in the case of an annuity contract, the carrier shall furnish:*

*(1) A mathematical outline showing computation of the minimum nonforfeiture amounts; and*

*(2) A numerical demonstration that the minimum paid-up annuity, cash surrender, or death benefits available under the contract are not less than the minimum benefits required under Insurance Article, Title 16, Subtitle 5, Annotated Code of Maryland.*

## 31.04.19 Filing of Forms Under File and Use Method

Authority: Insurance Article, §§2-109 and 12-203(d)(2), Annotated Code of Maryland

**.02 Definitions.**

A. (text unchanged)

B. Terms Defined.

(1)—(19) (text unchanged)

*(20) "Medical stop-loss insurance" has the meaning stated in Insurance Article, §15-129(a), Annotated Code of Maryland.*

[(20)] *(21)*—[(22)] *(23)* (text unchanged)

[(23)] *(24)* "Small employer" has the meaning stated in Insurance Article, [§15-1203] *§31-101*, Annotated Code of Maryland.

[(24) "Stop-loss insurance" has the meaning stated in Insurance Article, §15-129(a), Annotated Code of Maryland.]

(25) (text unchanged)

**.05 Types of Forms Used on a File and Use Method.**

A. (text unchanged)

B. The following life insurance, health insurance, and annuity forms may be filed under the file and use method:

(1)—(13) (text unchanged)

(14) [Stop-loss] *Medical stop-loss* insurance;

(15)—(23) (text unchanged)

(24) Applications, except applications for:
(a) (text unchanged)
(b) Long-term care insurance; [and]
*(c) Individual health benefit plans; and*
[(c)] *(d)* (text unchanged)

## 31.04.22 Title Insurers

Authority: Insurance Article, §§2-108, 2-109, 10-121, and 10-128.1, Annotated Code of Maryland

**.04 Conducting an On-Site Review.**
A. (text unchanged)
B. The on-site review required under §A of this regulation shall, at a minimum, include:
(1) (text unchanged)
(2) A review of the principal agent's operations to evaluate compliance with the notice requirements under Insurance Article, [§22-102] *§22-103*, Annotated Code of Maryland, including whether the principal agent:
(a) Inserted the name of each proposed insured as required under Insurance Article, [§22-102(a)(1)] *§22-103(a)(1)*, Annotated Code of Maryland;
(b)—(c) (text unchanged)
(3)—(7) (text unchanged)
C.—E. (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner

# Subtitle 05 ASSETS, LIABILITIES, RESERVES, AND INVESTMENTS OF INSURERS

## 31.05.06 Investments of Life Insurers and Property and Casualty Insurers in High Yield/High Risk Obligations

Authority: Insurance Article, §§2-109, 4-103(c), 5-502, 5-506, 5-507, 5-511, 5-605, 5-606, and 5-608, Annotated Code of Maryland

**Notice of Proposed Action**
[16-086-P]

The Insurance Commissioner proposes to amend Regulation **.02** under **COMAR 31.05.06 Investments of Life Insurers and Property and Casualty Insurers in High Yield/High Risk Obligations.**

**Statement of Purpose**
The purpose of this action is to make a technical change consistent with the Maryland Insurance Administration's Evaluation Report for COMAR 31.05.06. Specifically, this amendment corrects a statutory cross-reference in Regulation .02B(5).

**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.

**Opportunity for Public Comment**
Comments may be sent to Lisa Larson, Assistant Director of Regulatory Affairs, Maryland Insurance Administration, 200 Saint Paul Place, Ste. 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 May 1, 2016. A public hearing has not been scheduled.

**.02 Definitions.**
A. (text unchanged)
B. Terms Defined.
(1)—(4) (text unchanged)
(5) "Person" means a person as defined in Insurance Article, [§1-101(bb)] *§1-101(dd)*, Annotated Code of Maryland.
(6) (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner

# Title 33
# STATE BOARD OF ELECTIONS

# Subtitle 14 ADMINISTRATION OF PUBLIC FINANCING ACT

## 33.14.02 Eligibility Requirement and Procedures

Authority: Election Law Article, §§2-102(b)(4) and 15-109(b), Annotated Code of Maryland

**Notice of Proposed Action**
[16-083-P]

The State Board of Elections proposes to amend Regulation **.04** under **COMAR 33.14.02 Eligibility Requirement and Procedures.** This action was considered by the State Board of Elections at its January 21, 2016 meeting, notice of which was given in accordance with State Government Article, §10-506(c), Annotated Code of Maryland.

**Statement of Purpose**
The purpose of this action is to clarify the deadlines for submission of the notice of intent to seek public financing and the seed money certification in the general election.

**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.

**Opportunity for Public Comment**
Comments may be sent to Erin Perrone, Director of Election Reform and Management, State Board of Elections, P.O. Box 6486, Annapolis, MD 21401, or call 410-269-2845, or email to erin.perrone@maryland.gov, or fax to 410-974-2019. Comments will be accepted through May 1, 2016. A public hearing has not been scheduled.