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NOTE: The forms referenced in the following regulations appear at the end of the Proposed Action on Regulations section of this issue of the Maryland Register.

.07 MIA Form 1006-A.

.08 MIA Form 1006-B.

ALFRED REDMER, JR.
Insurance Commissioner

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Insurance Commissioner

Subtitle 08 PROPERTY AND CASUALTY INSURANCE

31.08.03 Notices of Cancellation, Nonrenewal, Premium Increase, and Reduction in Coverage

Authority: Insurance Article, §§2-109, 27-613, and 27-614, Annotated Code of Maryland

Notice of Proposed Action [15-227-P]

The Insurance Commissioner proposes to adopt amendments to Regulations .07 and .08 under **COMAR 31.08.03 Notices of Cancellation, Nonrenewal, Premium Increase, and Reduction in Coverage**.

Statement of Purpose

The purpose of this action is to update the address for the Maryland Automobile Insurance Fund (MAIF) that is set forth in the notices contained in these regulations. MAIF has notified the Maryland Insurance Administration (MIA) that it will be relocating its offices on or after July 6, 2015.

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 September 21, 2015. A public hearing has not been scheduled.

NOTICE OF PREMIUM INCREASE (15% OR LESS)

Name and Address of Insurer:		Name and Address of Producer:	
Type of Policy:		Binder/Policy Number:	
Name and Address of Insured:	Date of Mailing:	Effective Date of Increase:	
If you have any questions regarding this increase in premium or if you believe the information contained in this notice of premium increase is incorrect, you should contact your insurance producer, agent or broker, or your insurance company.			
Total Premium for Current Policy Period:		Total Premium for Renewal Policy Period:	
Total Amount of Increase Subject to Notice: \$ _____ / _____%			
This does not include any increase in your premium due to a general rate increase or due to changes in coverage made at your request. These types of increases are not subject to this notice.			
The actual reason or reasons for the increase are:			

"Right of Protest"

You may protest the action proposed by this notice as provided under Insurance Article, §27-614, Annotated Code of Maryland. For your protest to be duly filed, you must sign **one copy** of this notice and **send the entire** notice, by mail or facsimile, within **thirty (30) days** after the above date of mailing, to:

Insurance Commissioner
Maryland Insurance Administration
200 St. Paul Place
Baltimore, Maryland 21202
Fax Number 410-468-2334 or 410-468-2307

1. If your protest is filed late, the Insurance Commissioner will not consider your protest.
2. Your timely filed protest **does not** stay the action proposed by this notice. If you have filed a timely protest, you must continue to pay your premiums when due (including the amount of the proposed increase), or else your policy will expire or otherwise terminate.
3. If you have timely filed a protest of the proposed increase in premium, the Commissioner will determine whether the proposed premium increase is lawful and will notify you in writing.
4. If the Commissioner determines that your protest has merit, the increase will be disallowed. If the increase is disallowed, the insurer, within thirty (30) days of the determination, must return to you all disallowed premium and pay interest on the disallowed premium received from you calculated at a rate of ten (10) percent per annum from the date the disallowed premium was received to the date the disallowed premium was returned. If the insurer fails to return any disallowed premium and interest to the insured within thirty (30) days after the Commissioner disallows the action of the insurer, the insurer shall pay interest on the disallowed premium calculated at a rate of twenty (20) percent per annum beginning on the thirty-first (31st) day following the disallowance of the premium increase until the date the disallowed premium is returned.
5. If the Commissioner determines that your protest is without merit, the insurer can retain the amount of premium it has already collected.

(The Right of Protest is continued on the next page)

(This Right of Protest is continued from the previous page)

I protest the action proposed by the insurer. My reasons for protesting the insurer's action are:

Signed (Named Insured) _____ Date _____

Address: _____

Daytime Phone Number: _____

IMPORTANT — PLEASE READ IF BOX IS CHECKED

Offer to Exclude:

The premium for your policy is being increased because of the driving record or claims experience of the listed drivers under this policy. We (the insurer) will agree not to charge you the increase in premium if you (**the named insured**) agree to exclude coverage under the policy for the individual(s) whose driving record or claims experience justified the increase in premium. If you sign this offer to exclude, any future policies or endorsements will not provide coverage for the individual(s) named unless required by law. Any future requests to add coverage for the individual(s) excluded must be requested by the named insured. If you agree to the exclusion of the individual(s), **you cannot protest this proposed increase in premium to the Insurance Commissioner.**

Individual(s) to be excluded:	Name of Individual(s): _____	Effective Date: _____
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If you agree, the policy and or coverage will be renewed with the above named individual(s) excluded from coverage and the premium for the renewal will be:	Dollar Amount: _____
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I, the named insured, agree to exclude coverage for the individual(s) named above.

Signature of Named Insured _____	Date of Signature _____
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If you have signed and dated this offer to exclude, you must return it to the insurer.

IF YOU WISH TO REPLACE THIS POLICY YOU MAY BE ELIGIBLE FOR A NEW POLICY WITH ANOTHER INSURER. IF YOU CAN NOT REPLACE THIS POLICY WITH ANOTHER INSURER YOU MAY REQUEST INSURANCE THROUGH THE MARYLAND AUTOMOBILE INSURANCE FUND (MAIF).
Please contact your insurance producer for information concerning MAIF or you can contact MAIF at: [1750 Forest Drive, Annapolis, Maryland 21401] 1215 E. Fort Avenue, Suite 300, Baltimore, Maryland 21230-5281 / Telephone: 800-492-7120 or 410-269-1680

NOTICE OF PREMIUM INCREASE (GREATER THAN 15%)		
Name and Address of Insurer:	Name and Address of Producer:	
Type of Policy:	Binder/Policy Number:	
Name and Address of Insured:	Date of Mailing:	Effective Date of Increase:
If you have any questions regarding this increase in premium or if you believe the information contained in this notice of premium increase is incorrect, you should contact your insurance producer, agent or broker, or your insurance company.		
Total Premium for Current Policy Period:	Total Premium for Renewal Policy Period:	
Total Amount of Increase Subject to Notice: \$ _____ / _____%		
This does not include any increase in your premium due to a general rate increase or due to changes in coverage made at your request. These types of increases are not subject to this notice.		
The actual reason or reasons for the increase are:		

"Right of Protest"
You may protest the action proposed by this notice as provided under Insurance Article, §27-614, Annotated Code of Maryland. For your protest to be duly filed, you must sign one copy of this notice and send the entire notice, by mail or facsimile, within thirty (30) days after the above date of mailing, to:
Insurance Commissioner Maryland Insurance Administration 200 St. Paul Place Baltimore, Maryland 21202 Fax Number 410-468-2334 or 410-468-2307
<ol style="list-style-type: none"> 1. If your protest is filed late, the Insurance Commissioner will not consider your protest. 2. Your timely filed protest may result in a stay of the action proposed by this notice if the Commissioner makes a finding that the premium increase may cause you undue harm and that it is in violation of the insurer's filed rating plan. 3. Even though you have filed a timely protest, you must continue to pay your premium when due unless the Commissioner has ordered a stay of the increase, or else your policy will expire or otherwise terminate. 4. If you have timely filed a protest of the proposed increase in premium, the Commissioner will determine whether the proposed premium increase is lawful and will notify you in writing. 5. If the Commissioner determines that your protest has merit, the increase will be disallowed. If the increase is disallowed, the insurer, within thirty (30) days of the determination, , must return to you all disallowed premium and pay interest on the disallowed premium received from you calculated at a rate of ten (10) percent per annum from the date the disallowed premium was received to the date the disallowed premium was returned. If the insurer fails to return any disallowed premium and interest to the insured within thirty (30) days after the Commissioner disallows the action of the insurer, the insurer shall pay interest on the disallowed premium calculated at a rate of twenty (20) percent per annum beginning on the thirty-first (31st) day following the disallowance of the premium increase until the date the disallowed premium is returned. 6. If the Commissioner determines that your protest is without merit, the insurer may apply the proposed increase.
(The Right of Protest is continued on the next page)

(This Right of Protest is continued from the previous page)

7. If either you or the insurer is dissatisfied with the determination of the Commissioner, you or the insurer may request a hearing within thirty (30) days after the mailing date of the determination. In the event that a hearing is requested, you must continue to pay your premiums when due, unless the Commissioner has ordered a stay of the increase, or else your policy will expire or otherwise terminate.
8. If a hearing is requested, all parties will be notified in writing of the time and place of the hearing at least ten (10) days before the hearing.
9. The Commissioner shall order the insurer to pay reasonable attorney fees incurred by you for representation at the hearing if the Commissioner finds that: (1) the actual reason for the proposed action is not stated in the notice or the proposed action is not in accordance with §27-501 of the Insurance Article, the insurer's filed rating plan, its underwriting standards, or the lawful terms and conditions of the policy related to a premium increase; and (2) the insurer's conduct in maintaining or defending the proceeding was in bad faith or the insurer acted willfully in the absence of a bona fide dispute.

I protest the action proposed by the insurer. My reasons for protesting the insurer's action are:

Signed (Named Insured) _____ Date _____

Address: _____

Daytime Phone Number: _____

IMPORTANT — PLEASE READ IF BOX IS CHECKED

Offer to Exclude:

The premium for your policy is being increased because of the driving record or claims experience of the listed drivers under this policy. We (the insurer) will agree not to charge you the increase in premium if you (**the named insured**) agree to exclude coverage under the policy for the individual(s) whose driving record or claims experience justified the increase in premium. If you sign this offer to exclude, any future policies or endorsements will not provide coverage for the individual(s) named unless required by law. Any future requests to add coverage for the individual(s) excluded must be requested by the named insured. If you agree to the exclusion of the individual(s), **you cannot protest this proposed increase in premium to the Insurance Commissioner.**

Individual(s) to be excluded:	Name of Individual(s): _____	Effective Date: _____
If you agree, the policy and or coverage will be renewed with the above named individual(s) excluded from coverage and the premium for the renewal will be:		Dollar Amount: _____
I, the named insured, agree to exclude coverage for the individual(s) named above.		
Signature of Named Insured _____	Date of Signature _____	

If you have signed and dated this offer to exclude, you must return it to the insurer.

IF YOU WISH TO REPLACE THIS POLICY YOU MAY BE ELIGIBLE FOR A NEW POLICY WITH ANOTHER INSURER. IF YOU CAN NOT REPLACE THIS POLICY WITH ANOTHER INSURER YOU MAY REQUEST INSURANCE THROUGH THE **MARYLAND AUTOMOBILE INSURANCE FUND (MAIF).**

Please contact your insurance producer for information concerning MAIF or you can contact MAIF at: [1750 Forest Drive, Annapolis, Maryland 21401] *1215 E. Fort Avenue, Suite 300, Baltimore, Maryland 21230-5281* / Telephone: 800-492-7120 or 410-269-1680