

Subtitle 08 PROPERTY AND CASUALTY INSURANCE

31.08.13 Application of a Percentage Deductible in the Case of a Hurricane [or Other Storm]

Authority: Insurance Article, §§2-109, [and] 19-209, and 19-209.1, Annotated Code of Maryland

Notice of Proposed Action

[16-253-P]

The Insurance Commissioner proposes to amend Regulations .03 and .04 and repeal Regulation .06 under **COMAR 31.08.13 Application of a Percentage Deductible in the Case of a Hurricane.**

Statement of Purpose

The purpose of this action is to amend the enabling authority under COMAR 31.08.13 to include Insurance Article, §19-209.1, Annotated Code of Maryland, as it is necessary authority for these changes; amend COMAR 31.08.13.03 to remove the definition of “other storm” as H.B. 557, Ch. 491, Acts of 2016, removed the phrase in the statute; amend COMAR 31.08.13.04 with a technical change to match the language from H.B. 557; repeal COMAR 31.08.13.06 to remove the annual statement requirement to be consistent with H.B. 557, which incorporates the annual statement requirements into the statute.

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 lisa.larson@maryland.gov, or fax to 410-468-2020. Comments will be accepted through October 31, 2016. A public hearing has not been scheduled.

.03 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) — (5) (text unchanged)

[(6) “Other storm” includes:

- (a) A hail storm;
- (b) A snow storm;
- (c) A thunderstorm;
- (d) A tornado; and
- (e) A wind storm.]

[(7)] (6) — [(10)] (9) (text unchanged)

.04 Application of a Percentage Deductible.

A. An insurer may apply a percentage deductible to a claim for a covered loss under a homeowner’s insurance policy if the covered loss was sustained while a hurricane warning was in effect, or within 24 hours following termination of the last hurricane warning issued, for any part of the State [in which the residential property is located] *regardless of where the insured’s home is located in the State.*

.04 Filing the Complaint.

A. Plaintiff Filing a Complaint.

(1) A plaintiff filing a complaint that is required to be filed with the Administration in accordance with Insurance Article, §27-1001, Annotated Code of Maryland, shall submit the complaint to the Administration in accordance with the following procedures:

(a) The complaint shall include the information and be accompanied by the documents [indentified] *identified* in Insurance Article, §27-1001(d)(2), Annotated Code of Maryland;

(b) — (c) (text unchanged)

(2) (text unchanged)

B. The 27-1001 filing and civil cover sheet shall be filed by sending them by:

(1) First class mail addressed to the *Hearing and Appeals* Clerk, Maryland Insurance Administration, [Post Office Box 388] 200 St. Paul Place, Suite 2700, Baltimore, Maryland [21203] 21202;

(2) A commercial overnight delivery service addressed to the *Hearing and Appeals* Clerk at the Administration’s official street address; or

(3) Hand delivery addressed to the *Hearing and Appeals* Clerk between the hours of 8 a.m. and 4 p.m. at the official street address of the Administration.

C. (text unchanged)

.05 Defendant Insurer’s Responsive Filing.

A. — E. (text unchanged)

F. The defendant insurer’s responsive filing and the index and documents required under §§C and D of this regulation shall be filed with the Administration by:

(1) First class mail addressed to the *Hearing and Appeals* Clerk, Maryland Insurance Administration, [Post Office Box 388] 200 St. Paul Place, Suite 2700, Baltimore, Maryland 2120[3]2;

(2) A commercial overnight delivery service addressed to the *Hearing and Appeals* Clerk at the Administration’s official street address; or

(3) Hand delivery addressed to the *Hearing and Appeals* Clerk between the hours of 8 a.m. and 4 p.m. at the official street address of the Administration.

G. — H. (text unchanged)

.07 Duties of Defendant Insurers.

A. — C. (text unchanged)

D. Notice of Disposition.

(1) (text unchanged)

(2) The notice of disposition shall be on the form determined by the Administration and published by bulletin and shall be sent to the *Hearing and Appeals* Clerk at the Administration within 30 days of the disposition.

(3) (text unchanged)

E. Notice of Pending Complaint.

(1) (text unchanged)

(2) The notice of the pending complaint shall be on the form determined by the Administration and published by bulletin and shall be sent to the *Hearing and Appeals* Clerk at the Administration within 30 days of service of process.

(3) (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner

B. (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner

**Subtitle 09 LIFE INSURANCE AND
ANNUITIES**

31.09.07 Charitable Gift Annuities

Authority: Insurance Article, §§2-109 and 16-114, Annotated Code of Maryland

Notice of Proposed Action
[16-251-P]

The Insurance Commissioner proposes to amend Regulation .04 under **COMAR 31.09.07 Charitable Gift Annuities**.

Statement of Purpose

The purpose of this action is to amend COMAR 31.09.07.04 with a technical change to remove the phrase “to endowment funds” as endowment funds do not relate to segregated reserves in this context. Additionally, an inaccurate cross-reference in Regulation .04B is being corrected.

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 St. 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 October 31, 2016. A public hearing has not been scheduled.

.04 Investment Requirements.

A. (text unchanged)

B. The segregated reserve assets shall be invested in the same manner and subject to the same standards as are applicable [to endowment funds] under [the] Estates and Trust Article, [§15-406] §15-402, Annotated Code of Maryland.

C. (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner