

B. Inflation Protection Option.

- (1) (text unchanged)³
- (2) The application shall indicate that for applicants who are younger than 61 years of age, the applicant is required to purchase an inflation protection benefit:
 - (a) Of at least [3] 1 percent compounded annually; or
 - (b) (text unchanged)
- (3)—(4) (text unchanged)

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Insurance Commissioner

F. Direct and indirect effects on public:

Paper reduction (+) Significant

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

D. This amendment will save companies and producers significant postage and production costs associated with the notice, which is currently required to be sent annually.

F. This amendment will also confer a benefit upon consumers relieving them from receiving duplicative annual notices, such that only new or changed notices will be received.

Subtitle 16 MISCELLANEOUS

31.16.08 Privacy of Consumer Financial and Health Information

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

Notice of Proposed Action
[16-298-P]

The Insurance Commissioner proposes to amend Regulation .06 under **COMAR 31.16.08 Privacy of Consumer Financial and Health Information**.

Statement of Purpose

The purpose of this action is to conform this regulation to recent amendments to 15 U.S.C. 6803(f), which modifies existing federal law by creating an exemption from a certain Gramm-Leach-Bliley Act annual notice requirement.

Comparison to Federal Standards

There is a corresponding federal standard to this proposed action, but the proposed action is not more restrictive or stringent.

Estimate of Economic Impact

I. Summary of Economic Impact. Adoption will confer an economic benefit upon insurers and producers (licensees of the MIA) by providing language relieving them from having to send their customers an annual privacy notice where they comply with other requirements concerning any disclosure of personally identifiable financial information and only in situations where the licensee's practices and policies regarding disclosure have not changed since the last notice sent to their customer. This will save companies and producers significant postage and production costs associated with the notice, which is currently required to be sent annually, even if the notice has not changed.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	NONE	
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+)	Magnitude
	Cost (-)	
D. On regulated industries or trade groups:		
Postage and production costs	(+)	Significant
E. On other industries or trade groups:	NONE	

Economic Impact on Small Businesses

The proposed action has a meaningful economic impact on small business. An analysis of this economic impact follows.

Adoption will confer an economic benefit upon insurers and producers (licensees of the MIA) by providing language relieving them from having to send their customers an annual privacy notice where they comply with other requirements concerning any disclosure of personally identifiable financial information and only in situations where the licensee's practices and policies regarding disclosure have not changed since the last notice sent to their customer. Insofar as producers work for small businesses, this will save businesses significant postage and production costs associated with the notice, which must currently be sent to consumers annually, even if the notice has not changed.

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 Saint 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 December 28, 2016. A public hearing has not been scheduled.

.06 Annual Privacy Notice for Financial Information to Customers Required.

A. In General.

(1) [A] *Except as provided in §B of this regulation, a licensee shall provide a clear and conspicuous notice to customers that accurately reflects its privacy policies and practices for nonpublic financial information at least once in each annual notice period during the continuation of the customer relationship.*

(2)—(3) (text unchanged)

B. Exceptions.

(1) *Notwithstanding §A of this regulation, a licensee is not required to provide an annual privacy notice to a current customer if the licensee:*

(a) *Provides nonpublic personal information to nonaffiliated third parties only in accordance with Regulations .14—.16 of this chapter; and*

(b) *Has not changed its policies and practices with regard to disclosing nonpublic personal information from the policies and practices that were disclosed in the most recent disclosure sent to consumers in accordance with §A of this regulation or COMAR 31.16.08.05.*

(2) *A licensee is not required to provide an annual notice to a former customer with whom a licensee no longer has a continuing relationship.*

[B.] C. (text unchanged)

[C. A licensee is not required to provide an annual notice to a former customer with whom a licensee no longer has a continuing relationship.]

ALFRED W. REDMER, JR.
Insurance Commissioner

Title 33 STATE BOARD OF ELECTIONS

Subtitle 13 CAMPAIGN FINANCING

Notice of Proposed Action

[16-307-P]

The State Board of Elections proposes to:

- (1) Amend Regulation .06 under **COMAR 33.13.07 Authority Line Requirements; Electronic Media**;
- (2) Adopt new Regulations .06 and .07 under **COMAR 33.13.08 Independent Expenditure Requirements**;
- (3) Amend Regulations .02 and .03 and adopt new Regulation .04 under **COMAR 33.13.10 Prohibitions**; and
- (4) Adopt new Regulation .08 under **COMAR 33.13.13 Administrative Accounts**.

This action was considered by the State Board of Elections at its September 28, 2016, meeting, notice of which was given in accordance with General Provisions Article, §3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to add "person" to the enforcement provisions of authority line requirements. Independent expenditures are conducted by a person, not a political committee, and are subject to the same penalties for lack of authority line on campaign material. The proposed regulations detail the procedures for an independent expenditure entity to request a waiver of late fees and the issuance of the civil citation.

In 2016, the General Assembly amended the prohibition on fundraising during session law. The proposed regulations reflect the legislative changes and provide specific activities that would constitute soliciting contributions by a legislator.

The proposed additions to the prohibited expenditures by a political committee codify prior policy and advice.

The proposed regulations add a new section regarding coordinated expenditures. This is a proactive measure before the 2018 Election will clarify activities that would constitute coordination between persons making independent expenditures and candidates and political parties.

The proposed regulations clarify the requirements of a legislative communication paid with administrative funds. Since administrative funds may not be used for electoral purposes, the communication may not contain any references to an election or political slogan.

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, PO 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 December 28, 2016. A public hearing has not been scheduled.

33.13.07 Authority Line Requirements; Electronic Media

Authority: Election Law Article, §§2-102(b)(4) and 13-404, and Title 13, Subtitle 4, Part I, Annotated Code of Maryland

.06 Enforcement.

Subject to the penalties of Election Law Article, §13-602(b) or 13-604.1, Annotated Code of Maryland, a political committee or person may not publish or distribute, or cause to be published or distributed, campaign material in violation of this chapter.

33.13.08 Independent Expenditure Requirements

Authority: Election Law Article, §§2-102(b)(4) and 13-306, Annotated Code of Maryland

.06 Failure to File.

A. Show Cause Notice. If the State Board determines that there has been a failure to file an independent expenditure report or that the report does not include the information required by Election Law Article, §13-306, Annotated Code of Maryland, the State Board shall issue a notice to the treasurer or other individual designated by an entity required to file the independent expenditure report.

B. Contents of the Notice. The notice shall state that, within 30 days:

(1) The failure to file must be rectified; and

(2) The late filing penalty must be paid or the person making the independent expenditure must show cause why the State Board should not issue a civil citation.

C. Issuance of the Civil Citation. If the person fails to respond the notice within 30 days of its issuance, the State Board shall issue a civil citation against the person making independent expenditures as specified in Election Law Article, §13-604.1, Annotated Code of Maryland.

.07 Waiver Request — Late Filing Fees.

A. Availability. A person making independent expenditures may request a waiver of the penalty for the late filing of the independent expenditure report.

B. Requirements.

(1) A request to waive the late fee penalty shall be made in writing and filed with the State Administrator.

(2) The request shall include:

(a) The name, address, and telephone number of the person making the independent expenditure;

(b) A detailed statement of the facts explaining why the person making the independent expenditure failed to timely file a statement of contributions; and

(c) A history of past compliance activity regarding the person making independent expenditures.

C. Consideration and Determination.

(1) With approval of the State Board, the State Administrator may waive the late filing penalty for just cause.

(2) The State Administrator may deny a waiver request without notice or hearing.