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October 31, 2016

VIA Electronic Mail: lisa.larson@maryland.gov

Lisa Larson, Assistant Director of Regulatory Affairs
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, MD 21202

RE: Proposed Regulations 31.08.13 (Application of Hurricane Deductible in the Case of a Hurricane); Maryland Register, Volume 43, Issue 20, Friday, September 30, 2016.

Dear Ms. Larson:

The American Insurance Association (AIA) appreciates the opportunity to provide comments on proposed regulation 31.08.13 relating to the application of hurricane deductibles. Respectfully, in §31.08.13.04(A), we believe that the word “hurricane” was inadvertently omitted and must be inserted before the term “percentage deductible” as follows:

.04 Application of Percentage Deductible

- A. An insurer may apply a hurricane 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.

Inserting the word “hurricane” as specified above will harmonize the regulation with the statute, as recently amended by HB 557, to apply these criteria to hurricane losses only and prevent the unintended effect of applying these to *all* percentage deductibles.

Thank you for considering our comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric M. Goldberg". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Eric M. Goldberg
Vice President, State Affairs

cc: Nancy Egan, Esq. – Via Email
Angela Gleason, AIA – Via Email