

(4) When completing the funeral benefits only claim form the filing party shall attach a certification of funeral expenses, which shall:

- (a)—(b) (text unchanged)
- (c) Be signed by the provider of the funeral services or undertaker; *and*
- (d) Be signed by the person authorizing the burial or other services; and
- (e) Be notarized].

14.09.03 Hearing Procedures

Authority: Health-General Article, §§4-303 and 4-305; Labor and Employment Article, §§9-309, 9-310, 9-311, 9-602, 9-625, 9-635, 9-701, 9-717, 9-720, 9-721, 9-726, 9-731, and 9-739; Annotated Code of Maryland

.02 Filing and Withdrawing Issues.

- A.—B. (text unchanged)
- C. The following kinds of issues may be raised by filing an Issues form:
 - (1)—(9) (text unchanged)
 - (10) *Vocational rehabilitation issues not requiring the expedited process of Regulation 14.09.07.12;*
 - (11)—(16) (text unchanged)
- D.—J. (text unchanged)

14.09.04 Legal Representation and Fees

Authority: Labor and Employment Article, §§9-309, 9-721, and 9-731, Annotated Code of Maryland

.03 Schedule of Attorney's Fees.

- A. (text unchanged)
- B. Schedule of Fees.
 - (1)—(7) (text unchanged)
 - (8) Increase in Last Award of Compensation for Permanent Partial Disability.
 - (a) Except as otherwise provided in §B(8)(b)—[(c)](d) of this regulation, if the claimant is entitled to additional compensation as a result of an increase in a permanent partial disability award, the Commission may approve an additional attorney's fee in an amount not exceeding the difference between the fee approved for all prior awards and the fee computed under §B(3) or (4)(a) of this regulation on the increased award.
 - (b) (text unchanged)
 - (c) If the claimant is entitled to additional compensation as a result of an increase in a permanent partial disability award or a final compromise and settlement, and the attorney previously was *not* awarded the maximum fee authorized under §B(3) of this regulation *but an award of an additional attorney's fee under this regulation would result in an award of the maximum fee authorized under §B(3) of this regulation*, the Commission may approve an additional attorney's fee in an amount up to [5 percent of] the difference between the [prior awards of compensation and the increased award of compensation, but not to exceed] *previously awarded fee and the maximum fee authorized under §B(3) of this regulation, or five times the State average weekly wage, whichever is greater.*
 - (9) (text unchanged)
- C. (text unchanged)

14.09.07 Vocational Rehabilitation [Practitioners]

Authority: Labor and Employment Article, §§9-309, 9-6A-04, and 9-6A-07, Annotated Code of Maryland

R. KARL AUMANN
Chairman

**Title 31
MARYLAND INSURANCE
ADMINISTRATION**

Subtitle 04 INSURERS

31.04.15 Antifraud Plans

Authority: Health-General Article, [§19-706(v)] §19-706(e); Insurance Article, §§2-109, 8-321.1, and 27-803; Annotated Code of Maryland

**Notice of Proposed Action
[19-007-P]**

The Maryland Insurance Commissioner proposes to amend Regulation .04 under COMAR 31.04.15 Antifraud Plans.

Statement of Purpose

The purpose of this action is to amend current regulations to conform with new laws concerning the submission of antifraud plans to the Maryland Insurance Administration. Specifically the change in the regulation will limit the requirement to implement and file an antifraud provision to those insurers that have policies or certificates of insurance in force in the State, rather than all authorized insurers. In addition, a change is being made to the authority line to fix an incorrect statutory cross reference.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. The proposed action removes the administrative burden of filing an antifraud plan if an insurer is not currently issuing or delivering in force policies or certificates of insurance in the State.

II. Types of Economic Impact.	Revenue (R+/R-)	Magnitude
	Expenditure (E+/E-)	
A. On issuing agency:	(E-)	Minimal
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:	(+)	Minimal
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

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

A. The Maryland Insurance Administration will have to review fewer antifraud plans.

D. Insurers that meet the necessary criteria will no longer need to submit an antifraud plan.

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, Regulations Manager, Maryland Insurance Administration, 200 St. Paul Place, or call 410-468-2007, or email to insuranceregreview.mia@maryland.gov, or fax to 4104682020. Comments will be accepted through February 19, 2019. A public hearing has not been scheduled.

.04 Procedures and Requirements.

A. Antifraud Plan.

[(1) An insurer authorized to write insurance business in this State shall institute, implement, and maintain an insurance antifraud plan.]

[(2)] (1) (text unchanged)

(2) *An insurer authorized to write insurance business that has in force policies or certificates of insurance in this State shall institute, implement, and maintain an insurance antifraud plan.*

(3) An insurer [beginning business in this State after the effective date of these regulations] shall submit an antifraud plan within 90 days of the [insurer's receipt of a certificate of authority to conduct the business of insurance] *insurer issuing or delivering a policy or certificate of insurance in the State.*

B. —E. (text unchanged)

ALFRED W. REDMER, JR.
Insurance Commissioner

Subtitle 09 LIFE INSURANCE AND ANNUITIES

31.09.02 Variable Life Insurance

Authority: Insurance Article, §§2-109 and 16-601—16-603, Annotated Code of Maryland

Notice of Proposed Action

[19-005-P]

The Insurance Commissioner proposes to amend Regulation .11 under **COMAR 31.09.02 Variable Life Insurance.**

Statement of Purpose

The purpose of this action is to amend Regulation .11 under COMAR 31.09.02 Variable Life Insurance. These changes are being proposed to:

(1) Change all references from “agent” to “producer” in accordance with other COMAR regulations;

(2) Remove the reference to passing a written examination from Regulation .11A(2) because the passing of an examination is no longer required for a variable line of authority;

(3) Amend the language in Regulation .11A(1) to clarify that an insurance producer must hold a license and other authorizations required by either federal or state securities laws to sell variable life insurance policies. Currently, the Maryland Securities Commission does not consider variable insurance products to be securities.

However, the federal government considers variable products to be securities. In order to sell securities, a person needs to register with the Financial Industry Regulatory Authority (FINRA). This agency issues a central record depository (CRD) number to individuals. An individual requires an active CRD number and registration to sell securities through a licensed broker. Currently, many insurance producers are registering with FINRA and then their registration is terminated for various reasons, and the Maryland Insurance Administration is not always aware and therefore does not revoke the producer’s ability to sell variable products. The change to this regulation makes it clear that a producer must maintain his or her license and other authorizations as required by both state and federal securities laws;

(4) Change the reporting requirements under Regulation .11B so that a producer must report all disciplinary actions or criminal prosecutions in accordance with Insurance Article, §§10-126(f) and (g), Annotated Code of Maryland; and

(5) Clarify the language of several portions of the regulation.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact. The cost to insurance producers may increase slightly if they are required to maintain their license to sell variable products. This cost is expected to be minimal.

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 (+) Cost (-)	Magnitude
D. On regulated industries or trade groups:		
Cost	(+)	Minimal
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

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

D. The cost to insurance producers may increase slightly if they are required to maintain their license to sell variable products. However, the cost should be minimal.

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, Regulations Manager, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202, or call 410-468-2007, or email to insuranceregreview.mia@maryland.gov, or fax to 410-468-2020.