

(b) A unit under the CSAPR NO_x Ozone Season Group 2 Trading Program that commenced commercial operation prior to January 1, 2015.

(7) "New unit" for the purpose of allocation means any unit that is not an existing unit.

.02 Requirements.

A. This chapter incorporates by reference the U.S. EPA CSAPR and the CSAPR Update, including the definitions, criteria, and procedures therein.

B. Trading Program Requirements.

(1) This chapter incorporates by reference provisions of the CSAPR NO_x Annual Trading Program set forth in 40 CFR Part 97, Subpart AAAAA, as published July 1, 2017, and associated reference methods, performance specifications, and other test methods referenced by these standards, as applicable to existing and new units in Maryland, except the provisions at 40 CFR 97.411(b)(2) and (c)(5)(iii), 97.412(b), and 97.421(h) and (j).

(2) This chapter incorporates by reference provisions of the CSAPR NO_x Ozone Season Group 2 Trading Program set forth in 40 CFR Part 97, Subpart EEEEE, as published July 1, 2017, and associated reference methods, performance specifications and other test methods referenced by these standards, as applicable to existing and new units in Maryland, except the provisions at 40 CFR 97.811(b)(2) and (c)(5)(iii), 97.812(b), and 97.821(h) and (j).

(3) This chapter incorporates by reference provisions of the CSAPR SO₂ Group 1 Trading Program set forth in 40 CFR Part 97, Subpart CCCCC, as published July 1, 2017, and associated reference methods, performance specifications and other test methods referenced by these standards, as applicable to existing and new units in Maryland, except the provisions at 40 CFR 97.611(b)(2) and (c)(5)(iii), 97.612(b), and 97.621(h) and (j).

BENJAMIN H. GRUMBLES
Secretary of the Environment

Title 31
MARYLAND INSURANCE
ADMINISTRATION
Subtitle 09 LIFE INSURANCE AND
ANNUITIES

31.09.04 Contracts on a Variable Basis

Authority: Insurance Article, §§2-109, 8-442(d), and 16-601—16-603, Annotated Code of Maryland

Notice of Proposed Action

[19-274-P]

The Insurance Commissioner proposes to amend Regulation .03 under COMAR 31.09.04 Contracts on a Variable Basis. In addition, the Insurance Commissioner proposes to withdraw the amendments to Regulation .03 under COMAR 31.09.04 Contracts on a Variable Basis that were proposed in 46:2 Md. R. 82—83 (January 18, 2019) and repropoed in 46:13 Md. R. 604—605 (June 21, 2019).

Statement of Purpose

The purpose of this action is to withdraw the amendments to Regulation .03 under COMAR 31.09.04 Contracts on a Variable Basis that were proposed in 46:2 Md. R. 82—83 (January 18, 2019) and repropoed in 46:13 Md. R. 604—605 (June 21, 2019). In

addition, this action is proposing new amendments to Regulation .03 under COMAR 31.09.04 Contracts on a Variable Basis. Specifically, these changes will:

(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 .03A(2) because the passing of an examination is no longer required for a variable line of authority;

(3) Amend the language in Regulation .03A(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 annuity contracts. 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 as necessary. 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 language in Regulation .03A(2) to clarify that an insurance producer must be licensed by the Insurance Commissioner and hold life and variable lines of authority in order to sell variable annuity contracts;

(5) Change references from variable annuity "insurance" to variable annuity "contracts" to match the regulatory lead-in;

(6) Clarify the language of several portions of the regulation; and

(7) Change the reporting requirements under Regulation .03B 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.

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. The 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:	NONE	
Administrative 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. Comments will be accepted through January 21, 2020. A public hearing has not been scheduled.

.03 Qualifications of [Agents and Brokers] Producers.

A. Qualification to Sell Variable Annuity Contracts.

(1) A person may not sell or offer for sale in this State any variable annuity contract unless the person is [an agent or broker] *a producer* and has filed with the Commissioner, in a form satisfactory to the Commissioner, evidence that the person holds [any] *a license [or authorization] and other authorizations* which may be required by *any federal or State securities law* for the solicitation, [or] sale, or negotiation of variable annuities [by any federal or State securities law].

(2) A person may not in this State solicit, sell, [take applications for,] or act or aid in any manner in the negotiation of any variable contract [on a variable basis] unless [he] *the person has been so qualified [for the sale of life insurance and annuities in accordance with the provisions of Insurance Article, Title 10, Subtitle 1, Annotated Code of Maryland, including passing the written examination required under] in accordance with the provisions of Insurance Article, §§10-105 and 10-109, Annotated Code of Maryland, and is [specifically] licensed by the Commissioner to act as [agent or broker in regard to the sale of contracts on a variable basis] a producer with life and variable lines of authority.*

B. Reports of Disciplinary Actions and Criminal Prosecution. A person qualified in this State under this regulation to [sell or offer to sell] *act as a producer of variable annuity [insurance] contracts* shall [immediately] report to the Commissioner *in accordance with Insurance Article, §§10-126(f) and (g), Annotated Code of Maryland:*

(1) Suspension or revocation of [the person's agent's] *a producer* license in any other state or territory of the United States;

(2) Imposition of disciplinary sanction, including [suspension or expulsion from membership, suspension, or revocation of or denial of registration, imposed upon the person by any national securities exchange, or national securities association, or any federal, state, or territorial agency with jurisdiction over securities or variable annuity insurance;];

(a) *Suspension or expulsion from membership; or*

(b) *Suspension, revocation, or denial of registration imposed on the producer by any national securities exchange or national securities association or any federal, state, or territorial agency with jurisdiction over securities or variable annuity contracts;*

(3) Judgment or injunction entered against the [person] *producer* on the basis of conduct deemed to have involved fraud, deceit, misrepresentation, or violation of any insurance or securities law or regulation[.]; or

(4) *Criminal prosecution as defined in Insurance Article, §10-126(g), Annotated Code of Maryland.*

C. Refusal to Qualify [Agent] Producer to Sell Variable Annuity [Insurance] Contracts—Suspension, Revocation, or Nonrenewal of Qualification. The Commissioner may reject an application or suspend, revoke, or refuse to renew [any agent's] *producer's* qualification under this regulation to *solicit, sell, or [offer to sell] negotiate* variable annuity [insurance] *contracts* upon any ground that would bar the applicant or [agent] *producer* from being licensed to *solicit, sell, or negotiate* [other] life insurance [contracts] *policies* in this State. The rules governing [a proceeding] *proceedings* relating to the *rejection of a producer's application*, suspension or revocation of [an agent's] *a producer's* license, or *refusal to renew a producer's license* shall also govern [the proceeding for suspension or revocation of an agent's qualification to sell or offer to sell variable annuity insurance] *proceedings under this regulation.*

ALFRED W. REDMER, JR.
Insurance Commissioner

Title 33 STATE BOARD OF ELECTIONS

Notice of Proposed Action

[19-271-P]

The State Board of Elections proposes to amend:

- (1) Regulation .01 under **COMAR 33.01.01 Definitions**;
 - (2) Regulation .01 under **COMAR 33.19.02 Public Notice**;
- and
- (3) Regulation .02 under **COMAR 33.19.04 Processing New Registrants and Address Changes**.

This action was considered by the State Board of Elections at its September 26, 2019, 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:

- (1) Bring the regulations into line with recent statutory enactments, specifically Ch. 755, Acts of 2019, which added Election Law Article, §3-306, Annotated Code of Maryland, and Ch. 825, Acts of 2017, which amended Election Law Article, §3-305, Annotated Code of Maryland;
- (2) Update the definition of a “pre-qualified voter” to include someone eligible to vote on election day;
- (3) Update the required information to be included on a pre-election mailing to pre-qualified voters;
- (4) Clarify the requirements for an election judge to issue a regular ballot when a registered voter attempts to change their address during early voting; and
- (5) Remove the requirement for an election judge to determine a voter’s proof of residency when a registered voter attempts to change their address during early voting.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.