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**By: Delegate Love (By Request)**

Introduced and read first time: February 8, 1996

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Liability Insurance - Rating Principles - Senior Citizens**

3 FOR the purpose of altering the principles by which motor vehicle liability insurers make  
4 rates so as to require an insurer to provide a reduction in rates for individuals over  
5 a certain age who successfully complete a certain course in accident prevention;  
6 providing for the application of this Act; and generally relating to rating principles  
7 for motor vehicle liability insurance.

8 BY repealing and reenacting, with amendments,  
9 Article 48A - Insurance Code  
10 Section 242(c)(8) and 244D(e)(6)  
11 Annotated Code of Maryland  
12 (1994 Replacement Volume and 1995 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article 48A - Insurance Code**

16 242.

17 (c) All rates shall be made in accordance with the following principles:

18 (8) An insurer [may] SHALL provide a reduction in rates based on actuarial  
19 justification, for motor vehicle personal injury and property damage coverage, to an  
20 insured who:

21 (i) Is at least 55 years of age; and

22 (ii) Within the last 2 years, has completed successfully a course in  
23 accident prevention:

24 1. That is approved by the Motor Vehicle Administration;

25 2. That includes classroom instruction or practice driving of the  
26 number of hours that the Motor Vehicle Administration requires; and

27 3. For which the insured has received a certificate that certifies  
28 the completion of the course.

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1 244D.

2           The following standards apply to the making and use of rates pertaining to all  
3 classes of insurance to which this subtitle is applicable:

4           (e) All rates shall be made in accordance with the following special principles:

5                   (6) An insurer [may] SHALL provide a reduction in rates based on actuarial  
6 justification, for motor vehicle personal injury and property damage coverage, to an  
7 insured who:

8                           (i) Is at least 55 years of age; and

9                           (ii) Within the last 2 years, has completed successfully a course in  
10 accident prevention:

11                                   1. That is approved by the Motor Vehicle Administration;

12                                   2. That includes classroom instruction or practice driving of the  
13 number of hours that the Motor Vehicle Administration requires; and

14                                   3. For which the insured has received a certificate that certifies  
15 the completion of the course.

16           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply only  
17 to motor vehicle insurance policies issued or renewed on or after October 1, 1996.

18           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 October 1, 1996.