## **HOUSE BILL 1162**

**Unofficial Copy** HB 1292/01 - HRU 2002 Regular Session 2lr2500

## By: Delegates Dypski, Hammen, Krysiak, Marriott, and McIntosh

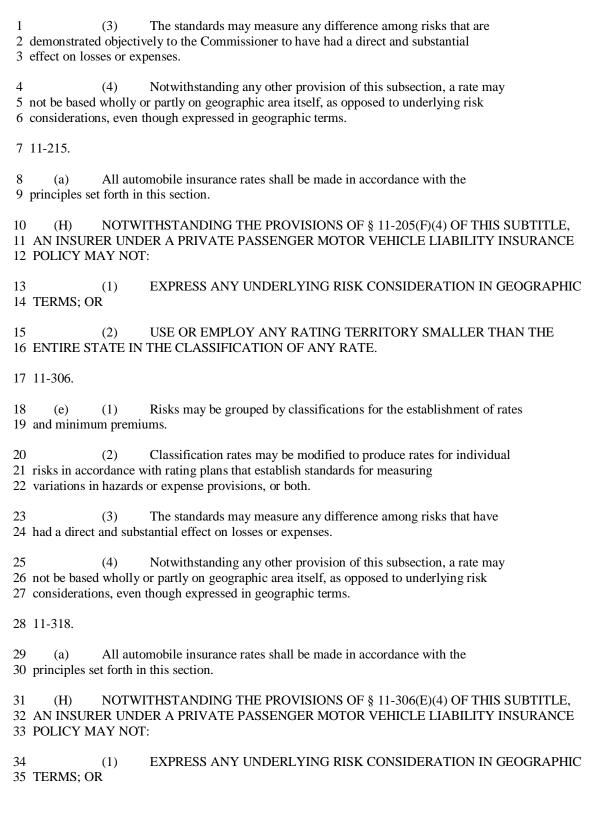
Introduced and read first time: February 8, 2002

Assigned to: Economic Matters

	A BILL ENTITLED
1	AN ACT concerning
2	Motor Vehicle Liability Insurance - Rate Making Principles - Geographic Terms
5 6 7 8	FOR the purpose of prohibiting an insurer under a private passenger motor vehicle liability insurance policy from expressing any underlying risk consideration in geographic terms or using any rating territory smaller than the entire State of Maryland in the classification of any rate; providing for the application of this Act; and generally relating to rate making principles in motor vehicle insurance.
9 10 11 12	Section 11-205(f), 11-215(a), 11-306(e), and 11-318(a) Annotated Code of Maryland
14 15 16 17	Section 11-215(h) and 11-318(h) Annotated Code of Maryland
19 20	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
21	Article - Insurance
22	11-205.

- 23 Risks may be grouped by classifications for the establishment of rates (f) (1) 24 and minimum premiums.
- 25 Classification rates may be modified to produce rates for individual
- 26 risks in accordance with rating plans that establish standards for measuring
- 27 variations in hazards or expense provisions, or both.

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- 1 (2) USE OR EMPLOY ANY RATING TERRITORY SMALLER THAN THE 2 ENTIRE STATE IN THE CLASSIFICATION OF ANY RATE.
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
- 4 construed to apply only prospectively and may not be applied or interpreted to have
- 5 any effect on or application to any private passenger motor vehicle liability insurance
- 6 policies issued or renewed before the effective date of this Act.
- 7 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 8 October 1, 2002.