

BY repealing and reenacting, without amendments,

Article 48A - Insurance Code
Section 242(c)(7)(i) and 244D(e)(1)
Annotated Code of Maryland
(1986 Replacement Volume and 1987 Supplement)

BY repealing and reenacting, with amendments,

Article - Transportation
Section 12-111
Annotated Code of Maryland
(1987 Replacement Volume)

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

Article 48A - Insurance Code

234A.

(d) With respect to automobile liability insurance, an insurer may not:

(1) Cancel, refuse to renew or otherwise terminate coverage for any automobile insurance risk because of the existence of a traffic violation or accident more than [three] 3 years old on the date the policy or renewal is effective; or

(2) Refuse to underwrite any automobile insurance risk because of a traffic violation or accident more than [five] 3 years old on the date of application.

242.

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

(7) (i) No insurer under an automobile liability insurance policy may classify or maintain an insured in a classification entailing a higher premium because of a specific claim for a period longer than three years, and no such insurer may classify or maintain an insured in a classification entailing a higher premium because of the insured's driving record for a period longer than three years. However the removal of a discount may not be considered a violation of this subsection.

244D.