

[(c-1) The Commissioner is empowered at any time to require any automobile liability insurance rating organization and any insurer writing automobile liability insurance in this State to demonstrate to him that its rates and methods of setting rates for automobile liability insurance are in compliance with subsection (c) hereof, notwithstanding that the rates then in effect had previously been approved by the Commissioner. If, after a hearing held upon not less than ten days' written notice to the rating organization or insurer, the Commissioner finds that the rates or any part thereof, or the method of setting the rates on any part thereof, are not in compliance with subsection (c) hereof, he may pass such order or orders as he deems appropriate to (i) require that the rates or parts thereof, or the method of setting the rates or any part thereof, be so adjusted as to comply with subsection (c) and (ii) require any such insurer whose rates or part thereof are found to be in violation of subsection (c) to reimburse any insured who, during the period of time such rates were in effect, not exceeding one year, paid a higher premium than the Commissioner finds should have been charged had the rates been in compliance with subsection (c), an amount equal to the difference between the premium paid and the premium which the Commissioner finds should have been charged during such period; provided, however, that no order of reimbursement shall be made prior to one year after January 1, 1973.]

16B. REGULATION OF COMPETITIVE RATING

244.

(A) THIS SUBTITLE SHALL BE LIBERALLY CONSTRUED TO ACHIEVE THE PURPOSES STATED IN SUBSECTION (B) OF THIS SECTION, WHICH SHALL CONSTITUTE AN AID AND GUIDE TO INTERPRETATION BUT NOT AN INDEPENDENT SOURCE OF POWER.

(B) THE PURPOSES OF THIS SUBTITLE ARE:

(1) TO PROTECT POLICYHOLDERS AND THE PUBLIC AGAINST THE ADVERSE EFFECT OF EXCESSIVE, INADEQUATE, OR UNFAIRLY DISCRIMINATORY RATES;

(2) TO ENCOURAGE, AS THE MOST EFFECTIVE WAY TO PRODUCE RATES THAT CONFORM TO THE STANDARDS OF PARAGRAPH (1) OF THIS SUBSECTION, INDEPENDENT ACTION BY AND REASONABLE PRICE COMPETITION AMONG INSURERS;

(3) TO PROVIDE FORMAL REGULATORY CONTROLS FOR USE IF PRICE COMPETITION FAILS;

(4) TO AUTHORIZE COOPERATIVE ACTION AMONG INSURERS IN THE RATE-MAKING PROCESS, AND TO REGULATE SUCH COOPERATION IN ORDER TO PREVENT PRACTICES THAT TEND TO BRING ABOUT MONOPOLY OR TO LESSEN OR DESTROY COMPETITION; AND