

In subsection (b) of this section, the reference to an "individual" of average intelligence is substituted for the former reference to a "person" because individuals have intelligence.

- Defined terms: "Authorized insurer" § 1-101
- "Commissioner" § 1-101
- "Insurance" § 1-101
- "Insurer" § 1-101
- "Policy" § 1-101
- "Rate" § 11-101

11-318. SPECIAL RATE MAKING PRINCIPLES.

(A) IN GENERAL.

ALL AUTOMOBILE INSURANCE RATES SHALL BE MADE IN ACCORDANCE WITH THE PRINCIPLES SET FORTH IN THIS SECTION.

(B) THREE-YEAR REVIEW PERIOD.

(1) AN INSURER UNDER AN AUTOMOBILE LIABILITY INSURANCE POLICY MAY NOT CLASSIFY OR MAINTAIN AN INSURED FOR A PERIOD LONGER THAN 3 YEARS IN A CLASSIFICATION THAT ENTAILS A HIGHER PREMIUM:

- (I) BECAUSE OF A SPECIFIC CLAIM; OR
- (II) BECAUSE OF THE INSURED'S DRIVING RECORD.

(2) FOR THE PURPOSE OF DETERMINING WHETHER TO CLASSIFY AN INSURED IN A CLASSIFICATION THAT ENTAILS A HIGHER PREMIUM, AN INSURER MAY REVIEW ONLY A PERIOD NOT GREATER THAN 3 YEARS BEFORE:

- (I) IF THE POLICY HAS NOT YET BEEN ISSUED:
 - 1. THE DATE OF THE APPLICATION; OR
 - 2. THE PROPOSED EFFECTIVE DATE OF THE POLICY; OR
- (II) ON RENEWAL OF A POLICY, THE EFFECTIVE DATE OF THE

RENEWAL.

(3) THE REMOVAL OF A DISCOUNT IS NOT A VIOLATION OF THIS SUBSECTION.

(C) PROVISIONAL DRIVER'S LICENSES.

AN INSURER'S AUTOMOBILE AND PHYSICAL DAMAGE INSURANCE PREMIUMS SHALL REFLECT THE REDUCTION IN CLAIMS, IF ANY, ATTRIBUTABLE TO THE REQUIREMENT THAT DRIVERS UNDER THE AGE OF 18 YEARS MUST ACQUIRE A PROVISIONAL DRIVER'S LICENSE BEFORE ACQUIRING A DRIVER'S LICENSE.

(D) EMERGENCY VEHICLE DRIVING RECORDS.

FOR PURPOSES OF RECLASSIFYING AN INSURED IN A CLASSIFICATION THAT ENTAILS A HIGHER PREMIUM, AN INSURER UNDER AN AUTOMOBILE INSURANCE