

BY repealing and reenacting, without amendments,

Article - Insurance

Section 27-501(a)(2)

Annotated Code of Maryland

(2002 Replacement Volume and 2002 Supplement)

BY repealing and reenacting, with amendments,

Article - Insurance

Section 27-501(l)(1)

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

Article - Insurance

27-501.

(a) (2) Except as provided in this section, an insurer or insurance producer may not cancel or refuse to underwrite or renew a particular insurance risk or class of risk except by the application of standards that are reasonably related to the insurer's economic and business purposes.

(l) (1) In the case of private passenger motor vehicle insurance, standards reasonably related to the insurer's economic and business purposes under subsection (a)(2) of this section include, but are not limited to, the following and do not require statistical validation:

(i) a material misrepresentation in connection with the application, policy, or presentation of a claim;

(ii) nonpayment of premium;

(iii) subject to § 27-606 of this title, revocation or suspension of the driver's license or motor vehicle registration within the preceding 2-year period:

1. of the named insured or covered driver under the policy;

and

2. for reasons related to the driving record of the driver;

(iv) subject to § 27-606 of this title, two or more motor vehicle accidents or any combination of three or more accidents and moving violations within the preceding 3-year period for which the insured was at fault for the accidents;

(v) subject to § 27-606 of this title, three or more moving violations against the insured or a covered driver under the policy within the preceding 2-year period;