

(3) An insurer may not agree with another insurer or rating organization to adhere to rules that are not reasonably related to the recording and reporting of data under the uniform classification system or uniform statistical plan.

(e) The experience rating plan methodology required under § 11-330(d)(4) of this subtitle shall be based on:

- (1) reasonable eligibility standards;
- (2) adequate incentives for loss prevention; and
- (3) sufficient premium differentials so as to encourage safety.

(f) (1) ~~The~~ EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE uniform experience rating plan shall be the ~~exclusive~~ PRIMARY ~~exclusive~~ means of providing prospective premium adjustment based on measurement of the loss-producing characteristics of an individual insured.

(2) IN ADDITION TO ANY PREMIUM ADJUSTMENT ALLOWED UNDER PARAGRAPH (1) OF THIS SUBSECTION AND PURSUANT TO A FILING MADE BY A RATING ORGANIZATION AND APPROVED BY THE COMMISSIONER, AN INSURER MAY FILE A RATING PLAN WITH THE COMMISSIONER THAT PROVIDES FOR PERSPECTIVE PROSPECTIVE PREMIUM ADJUSTMENTS UP TO 25% BASED UPON CHARACTERISTICS OF A RISK THAT ARE NOT REFLECTED IN THE UNIFORM EXPERIENCE RATING PLAN.

[(2)](3) An insurer may file a rating plan that provides for retrospective premium adjustments based on an insured's past experience.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1998.

Approved May 21, 1998.

CHAPTER 738

(House Bill 1233)

AN ACT concerning

Public Libraries - Regional Resource Centers - Funding

FOR the purpose of allocating a certain annual payment for each resident of the area served to the regional resource centers for the public libraries in the State.

BY repealing and reenacting, with amendments,

Article - Education

Section 23-205

Annotated Code of Maryland

(1997 Replacement Volume and 1997 Supplement)