

(1) SURETY INSURANCE.

244D.

The following standards apply to the making and use of rates pertaining to all classes of insurance to which this subtitle is applicable:

(a) (1) Rates may not be:

(i) ~~Excessive or inadequate, as defined under this subtitle; or~~

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~~(i) AS DEFINED UNDER THIS SUBTITLE, EXCESSIVE OR INADEQUATE, IN ALL TERRITORIES OF AN INSURER, AS THE TERRITORIES ARE DETERMINED BY THE INSURER; OR~~

(ii) Unfairly discriminatory.

(2) [A] EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, A rate may not be held to be excessive unless:

(i) The rate is unreasonably high for the insurance provided; and

(ii) The Commissioner has issued a ruling under § 244-I(c) of this subtitle that a reasonable degree of competition does not exist in a market to which the rate is applicable.

(3) A rate may not be held to be inadequate unless:

(i) It is unreasonably low for the insurance provided and continued use of it would endanger solvency of the insurer; or

(ii) The rate is unreasonably low for the insurance provided and the use of the rate by the insurer has had or, if continued, will have the effect of destroying competition or of creating monopoly.

~~(4) IN THE CASE OF PRIVATE PASSENGER MOTOR VEHICLE INSURANCE, THE COMMISSIONER MAY HOLD A RATE TO BE EXCESSIVE UNDER § 244 I OF THIS SUBTITLE WITHOUT DETERMINING WHETHER A REASONABLE DEGREE OF COMPETITION EXISTS UNDER § 244D(C) § 244 I(C) OF THIS SUBTITLE IF THE~~

(4) IN THE CASE OF PERSONAL LINES PROPERTY AND CASUALTY INSURANCE, A STATEWIDE RATE OR A RATE IN A PARTICULAR JURISDICTION OR GEOGRAPHIC TERRITORY MAY BE HELD BY THE COMMISSIONER TO BE EXCESSIVE WITHOUT DETERMINING WHETHER A REASONABLE DEGREE OF COMPETITION EXISTS UNDER § 244-I(C)(1) AND (2) OF THIS SUBTITLE IF THE COMMISSIONER DETERMINES THAT THE RATE IS:

(I) UNREASONABLY HIGH FOR THE INSURANCE PROVIDED; AND

(II) ~~IS~~ NOT ACTUARIALLY JUSTIFIED BASED ON COMMONLY ACCEPTED ACTUARIAL PRINCIPLES.