§2303. Making of rates

1. Rates shall be made in accordance with the following provisions.

A. Manual, minimum, class rates, rating schedules or rating plans shall be made and adopted, except in the case of specific inland marine rates on risks specially rated. [PL 1969, c. 132, §1 (NEW).]

B. Rates shall not be excessive, inadequate or unfairly discriminatory. [PL 1969, c. 132, §1 (NEW).]

C. Due consideration must be given:

(1) To past and prospective loss experience within and outside this State;

(2) To the conflagration and catastrophe hazards;

(3) To a reasonable margin for underwriting profit and contingencies;

(4) To dividends, savings or unabsorbed premium deposits allowed or returned by insurers to their policyholders, members or subscribers;

(5) To past and prospective expenses both countrywide and those specially applicable to this State;

(6) To all other relevant factors within and outside this State;

(7) In the case of fire insurance rates, to the experience of the fire insurance business during a period of not less than the most recent 5-year period for which such experience is available; and

(8) In the case of title insurance rates, to the reasonableness of commission levels and other acquisition costs both countrywide and those specifically applicable to this State. [PL 1991, c. 885, Pt. B, §2 (AMD); PL 1991, c. 885, Pt. B, §13 (AFF).]

D. [PL 1989, c. 797, §3 (RP); PL 1989, c. 797, §§37, 38 (AFF).]

E. [PL 1989, c. 797, §3 (RP); PL 1989, c. 797, §§37, 38 (AFF).]

F. [PL 1985, c. 372, Pt. B, §4 (RP).]

G. Risks may be grouped by classifications for the establishment of rates and minimum premiums. Classification rates may be modified to produce rates for individual risks in accordance with rating plans that establish standards for measuring variations in hazards or expense provisions, or both. These standards may measure any differences among risks that may have a probable effect upon losses or expenses. No risk classification may be based upon race, religion, ancestry or national origin of the insured. [PL 2021, c. 553, §16 (AMD).]

H. The expense provisions included in the rates to be used by an insurer must reflect the operating methods of the insurer and its anticipated expenses. [PL 1989, c. 797, §4 (NEW); PL 1989, c. 797, §§37, 38 (AFF).]

I. Rates may contain a provision for contingencies and an allowance permitting a reasonable profit. In determining the reasonableness of the profit allowance, consideration must be given to investment income. [PL 1989, c. 797, §4 (NEW); PL 1989, c. 797, §§37, 38 (AFF).]

[PL 2021, c. 553, §16 (AMD).]

2. Nothing in this section shall be taken to prohibit as unreasonable or unfairly discriminatory the establishment of classifications or modifications of classifications or risks based upon size, expense, management, individual experience, purpose of insurance, location or dispersion of hazard, or any other reasonable considerations, provided such classifications and modifications apply to all risks under the same or substantially similar circumstances or conditions.

[PL 1969, c. 132, §1 (NEW).]

3.
[PL 1989, c. 797, §5 (RP); PL 1989, c. 797, §§37, 38 (AFF).]

3-A.
[PL 2007, c. 188, Pt. A, §1 (RP).]

4. Rates made in accordance with this section may be used subject to this chapter.
[PL 1969, c. 132, §1 (NEW).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1983, c. 17 (AMD). PL 1983, c. 551, §1 (AMD). PL 1985, c. 372, §§B3,4 (AMD). PL 1987, c. 559, §A2 (AMD). PL 1989, c. 351, §5 (AMD). PL 1989, c. 797, §§3-6 (AMD). PL 1989, c. 797, §§37,38 (AFF). PL 1991, c. 885, §B2 (AMD). PL 1991, c. 885, §B13 (AFF). PL 2007, c. 188, Pt. A, §1 (AMD). PL 2021, c. 553, §16 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

All copyrights and other rights to statutory text are reserved by the State of Maine. The text included in this publication reflects changes made through the Second Regular Session of the 132nd Maine Legislature and is current through October 1, 2026. The text is subject to change without notice. It is a version that has not been officially certified by the Secretary of State. Refer to the Maine Revised Statutes Annotated and supplements for certified text.

The Office of the Revisor of Statutes also requests that you send us one copy of any statutory publication you may produce. Our goal is not to restrict publishing activity, but to keep track of who is publishing what, to identify any needless duplication and to preserve the State's copyright rights.

PLEASE NOTE: The Revisor's Office cannot perform research for or provide legal advice or interpretation of Maine law to the public. If you need legal assistance, please contact a qualified attorney.