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House Bill 431
Motor Vehicle and Homeowner's Insurance – Use of Claim History
in Rating Policies

House Economic Matters Committee – Hearing: February 5, 2020

SUPPORT

The People's Insurance Counsel Division ("PICD") supports House Bill 431 as it is written. This bill will prohibit an insurer, with respect to private passenger motor vehicle insurance, from increasing the premium for an insured based on a homeowner's insurance claim; and will prohibit an insurer, with respect to homeowner's insurance, from increasing the premium for an insured based on a private passenger motor vehicle insurance claim.

This is a common-sense approach to keep the means of determining homeowner's and motor vehicle insurance premiums separate and discrete. It is difficult to imagine how a claim on a homeowner's insurance policy, such as wind and hail damage, should impact a person's auto insurance premium. Likewise, it is difficult to envision how a claim on an auto insurance policy, such as for a fender bender, should affect a homeowner's insurance premium.

For the above reasons and in the interests of Maryland insurance consumers, the PICD supports House Bill 431 and urges a favorable report.

A handwritten signature in black ink, appearing to read "John P. McLane".

John P. McLane
Assistant Attorney General
People's Insurance Counsel Division