



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

**BILL:** Senate Bill 125 -Private Passenger Motor Vehicle Insurance - Prohibition on Cancellation Due to Towing or Emergency Roadside Coverage Claims

**SPONSOR:** Senator Feldman

**HEARING DATE:** February 5, 2020

**COMMITTEE:** Finance

**CONTACT:** Intergovernmental Affairs Office, 301-780-8411

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**POSITION:** SUPPORT

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The Office of the Prince George's County Executive **SUPPORTS Senate Bill 125** which prohibits a private passenger motor vehicle insurer from canceling, refusing to renew, or otherwise terminating coverage for a policy, because of a claim under the towing or emergency roadside service (ERS) coverage in the policy.

Access to affordable automobile insurance is critical for many individuals who rely on their vehicles to transport them to and from work. Affordable automobile insurance is even more crucial to individuals who live in low and moderate income communities, where there is a lack of access to reliable public transportation. Similar to a majority of states, Maryland requires all drivers to purchase liability coverage. Even though a mandate exists, there are still barriers to affordable automobile insurance for many consumers.

Canceling or refusing to renew an insurer's automobile policy due to a claim under the towing or emergency roadside service (ERS) coverage can disadvantage consumers who solely rely on their automobiles as their main mode of transportation. Removing the ability to cancel a private passenger motor vehicle policy allows insurers to focus on more important patterns regarding the insurability of an applicant, like driving history. For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS Senate Bill 125** and asks for a **FAVORABLE** report.