



MARYLAND LEGISLATIVE LATINO CAUCUS

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TO: Delegate Marc Korman, Chair
Delegate Regina T. Boyce, Vice Chair
Environment and Transportation Committee Members
FROM: Maryland Legislative Latino Caucus
DATE: 2/28/24
RE: HB564 - Real Property - Residential Leases - Renter's Insurance Requirement

The MLLC supports HB564 - Real Property - Residential Leases - Renter's Insurance Requirement, 2024

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of HB564.

A survey conducted in 2014 revealed that, among renters, many Hispanics did not have renters insurance, including some who had never heard of this type of insurance.¹ Specifically, more than half of Hispanic renters do not have insurance for their properties.² When asked for the reasons, 21% of respondents said they did not have renters insurance because, unlike auto insurance, it was not required by law.³ Another reason could be that Hispanic renters do not see insurance as an investment or think the costs are too high, even though renters insurance can cost as low as \$12 per month.⁴ For example, to cover about \$300,000 of personal property the cost is between \$150 and \$300 per year, or about \$12 and \$25 per month.⁵ Not having renters insurance could cause financial catastrophes to many Hispanic families.⁶

HB564 will require a tenant to maintain a renter's insurance policy covering the tenant's personal property that will be kept at the rental property. The tenant will be required to maintain renter's insurance: from a particular insurer or list of insurers; that include the landlord as a beneficiary, an insured party, or an additional insured; or that meets any other requirements set by the landlord. If a tenant fails to comply with the lease requirement, the landlord will acquire a renter's insurance policy on behalf of the tenant, under certain circumstances. The landlord may charge the insurance premium to the tenant until the tenant acquires a renter's insurance policy. The landlord may not be the beneficiary, an insured party, or an additional insured of a renter's insurance policy acquired under paragraph (1) of the subsection.

¹ [AWARENESS AND UNDERSTANDING OF RENTERS INSURANCE AMONG HISPANIC RENTERS](#)

² [Hispanic Renters - Do I Need Renters Insurance?](#)

³ [AWARENESS AND UNDERSTANDING OF RENTERS INSURANCE AMONG HISPANIC RENTERS](#)

⁴ [Hispanic Renters - Do I Need Renters Insurance?](#)

⁵ Ibid.

⁶ Ibid.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on HB564.