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**TESTIMONY OF
THE
MARYLAND INSURANCE ADMINISTRATION
BEFORE THE
HOUSE ECONOMIC MATTERS COMMITTEE**

JANUARY 30, 2020

**HOUSE BILL 144 – INSURANCE - UNINSURED OR ENHANCED UNDERINSURED MOTORIST
COVERAGE - PROPERTY DAMAGE**

POSITION: SUPPORT

Thank you for the opportunity to provide written comments regarding House Bill 144. House Bill 144 clarifies property damage (including loss of use of the insured vehicle) is included within the required uninsured and underinsured motorist coverage (UM) afforded under both §§ 19-509 and 19-509.1.

In the past year, as a result of several consumer complaints, the MIA became aware that a major market-share private passenger automobile insurance carrier was no longer paying loss of use (LOU) to its policyholders under its UM coverage. House Bill 144 clarifies the MIA's longstanding interpretation of existing law that UM coverage, which by its very nature exists to stand in place of the absent liability coverage from an uninsured tortfeasor or phantom vehicle, must provide reasonable LOU benefits in the same manner that the absent liability insurance policy would in order to make a claimant whole.

The Maryland Insurance Administration supports House Bill 144 and urges the Committee to give House Bill 144 a favorable report.