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Senate Bill 425
Debt Collection – Exemptions From Attachment and Execution

Senate Finance Committee – Hearing: February 14, 2020

SUPPORT

The People's Insurance Counsel Division ("PICD") supports Senate Bill 425 as it is written. This bill will make a property insurance payment that an individual receives for restoration, remediation work, or replacement exempt from execution on a judgment.

Payments from an insurance company to a homeowner to repair damage to a home should be used for that purpose, not to pay another creditor. This is particularly important in matters where the insurance payment is to maintain the structural integrity of a home. For example, if the insurance payment is to repair damage to the roof of a house and the roof is not repaired, the house will suffer greater short and long-term damage.

For the above reasons and in the interests of Maryland insurance consumers, the PICD supports Senate Bill 425 and urges a favorable report.

A handwritten signature in blue ink, appearing to read "J.P. McLane".

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

