



191 Main Street, Suite 310 – Annapolis MD 21401 – 410-268-6871

March 1, 2021

The Honorable Delores G. Kelley  
Chair, Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, MD 21401

RE: Senate Bill 805 - Motor Vehicle Insurance - Rate Filings - Discrimination, Trade Secrets, and States of  
Emergency - UNFAVORABLE

Dear Chair Kelley, Senator Peters and Members of the Senate Finance Committee,

I am writing on behalf of the Maryland Association of Mutual Insurance Companies (MAMIC) in opposition to Senate Bill 805.

MAMIC is comprised of 12 mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of MAMIC members are domiciled in Maryland and are key contributors and employers in their local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

For those MAMIC members who write automobile insurance, the ability to accurately determine the rates to be charged is of paramount importance. MAMIC members tend to be small to medium-sized insurers. Unlike large national insurers, their capacity to accept risk is limited. Inaccurate pricing – an inability to accurately predict future losses – could mean the difference between maintaining a stable, ongoing presence in the Maryland automobile insurance market, or reducing its writings. The essence of insurance is stability, and our insurance laws should promote that stability for insurers as well as insureds.

While MAMIC members may not have a large market share in Maryland, they are nonetheless an important component of the market, and in many communities they are a primary choice for automobile insurance consumers.

The removal of territory as a rating factor would be a severe blow to the ability of smaller automobile insurers, like MAMIC members, to compete in a highly competitive Maryland automobile insurance market.

For these reasons, we respectfully request an unfavorable report on Senate Bill 805.

Sincerely,

Robert F. Glass, CPCU, ARM, MBA  
President

cc: The Honorable Douglas J. J. Peters, [douglas.peters@senate.state.md.us](mailto:douglas.peters@senate.state.md.us)  
Bryson F. Popham, Esq.