

# **SB 110 Testimony - MIA - FAV.pdf**

Uploaded by: Paddy, Michael

Position: FAV

LARRY HOGAN  
Governor

BOYD K. RUTHERFORD  
Lt. Governor



# Maryland

INSURANCE ADMINISTRATION

KATHLEEN A. BIRRANE  
Commissioner

JAY COON  
Deputy Commissioner

200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202  
Direct Dial: 410-468-2408 Fax: 410-468-2020  
Email: [Michael.paddy@maryland.gov](mailto:Michael.paddy@maryland.gov)  
[www.insurance.maryland.gov](http://www.insurance.maryland.gov)

**TESTIMONY OF  
THE  
MARYLAND INSURANCE ADMINISTRATION  
BEFORE THE  
SENATE FINANCE COMMITTEE**

**JANUARY 14, 2021**

**SENATE BILL 110 – PRIVATE PASSENGER MOTOR VEHICLE LIABILITY INSURANCE - NOTICES -  
ALTERATION OF REQUIREMENTS**

**POSITION: SUPPORT**

Thank you for the opportunity to provide written comments regarding Senate Bill 110. Senate Bill 110 amends Title 27 Subtitle 6 of the Insurance Article to eliminate the requirement in §27-613 that insurers provide cancellation / non-renewal notices in triplicate and eliminate the requirement in §27-614 that insurers provide increase notices in duplicate.

Currently §27-613 requires an insurer to send a cancellation, nonrenewal or reduction in coverage notice to a policyholder in triplicate. Once a policyholder receives three copies of the same notice, and wants to protest the cancellation, nonrenewal or reduction in coverage, the policyholder would keep one copy for their records, and mail the other 2 copies to the Maryland Insurance Administration (MIA). Upon the MIA receiving the complaint, the MIA would keep one notice for their records, and mail the third notice back to the insurer. This is an antiquated process no longer in use and this bill serves to update the law to bring it into concert with current practice by allowing insurers to send one notice to the policyholder that can be signed, mailed or faxed to the MIA, or uploaded online and sent through the MIA's consumer complaint portal.

Additionally §27-614 requires an insurer to send a premium increase notice to a policyholder in duplicate. As previously stated, this process is antiquated and the bill will remove the unnecessary duplicate notice provision. As with the cancellation or non-renewal notice, the policyholder can sign and then mail, fax or upload the protest to the MIA.

The Maryland Insurance Administration supports Senate Bill 110 and urges the Committee to give Senate Bill 110 a favorable report.