



**MARIAN HOUSE**  
Women Moving from Dependence to Independence

**TESTIMONY IN SUPPORT OF HB125**

**Motor Vehicle Insurance – Discrimination on Underwriting and Rating – Use of Gender**

January 20, 2022

Delegate C. T. Wilson  
House Office Building  
6 Bladen Street  
Annapolis, MD 21401

**RE: Testimony of Marian House IN Support of HB125**

**Dear Delegate C.T. Wilson & Members of the House Economic Matters Committee,**

Marian House is a holistic, healing community for women and their children who are in need of housing and support services. Marian House provides comprehensive support services to assist women experiencing poverty, including those that are re-entering the community after incarceration. **I write to urge you to support House Bill 125 – Motor Vehicle Insurance – Use of Gender.**

Almost forty years ago, Marian House was opened to provide reentry supports for women leaving incarceration as Sisters and laywomen recognized that lack of support contributed to recidivism rates. During our time in operation, we have assisted women in reinventing themselves through services such as: counseling, substance abuse treatments, GED tutoring, and job training. All of the women we have served have overcome obstacles on their journeys to become contributing members of society in the Baltimore area. These obstacles commonly include gender and economic mobility.

Of the top ten insurers in MD, eight use gender as a rate factor. This results in women having higher premium costs than men, or a “pink tax”. By allowing auto insurers to charge a “pink tax”, female drivers are being disproportionately harmed, particularly women of color. This intensifies the financial inequality women already face due to their gender as on average women earn 86 cents to every dollar a man earns in Maryland. Auto insurers claim that by considering the gender of policyholders, they can accurately assess driving risk and establish premiums, however there is little proof that gender is a sound factor. Not all Maryland insurance companies use gender as a factor in determining driving risk and premiums. Inconsistent usage casts doubt on the predictive ability of this factor.

Due to the state’s high-cost minimum liability limits and the use of non-driving related factors, such as gender, Maryland’s auto insurance has become unaffordable. This has created a population of Marylanders who cannot afford to drive insured. The high cost of Maryland insurance has criminalized poverty and become a barrier to seek and retain employment. Some individuals who cannot afford auto insurance continue to drive to seek and retain employment. They risk costly fines, fees, or even jail. In 2019, 14.1% of Maryland drivers drove without auto insurance. The cost of these uninsured drivers is compensated by policyholders through higher premiums. Those who do not risk driving uninsured struggle to find employment they can easily reach via public transportation or within walking distance of their residence.



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The women we serve already experience a great disadvantage in upward economic mobility with the present challenges they face. This gender discriminatory policy currently in place further expands this gap, creating another barrier to women's success. On behalf of the women we serve at Marian House, I respectfully urge you to take the call to action in **SUPPORT of HB125**.

Thank you for your support,

A handwritten signature in black ink that reads "Katie Allston". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Katie Allston, LCSW-C

President & CEO