



BRANDON M. SCOTT
MAYOR

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HB377

February 3, 2022

TO: Members of the House Economic Matters Committee
FROM: Natasha Mehu, Director of Government Relations
RE: Maryland Automobile Insurance Fund - Installment Payment Plans
POSITION: SUPPORT

Chair Wilson, Vice Chair Crosby, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (SB) 377.

This bill would remove the statutory restrictions for installment payment plans, allowing the Maryland Auto Insurance Fund (MAIF) the flexibility to develop a reasonable plan for its policyholders. In turn, this would enhance the effectiveness of Senate Bill 0930/ House Bill 0334 (2013) which allowed MAIF to offer installment payment plans but with severe limitations. As such, only 2% of policyholders have opted to use it. House Bill 377 seeks to remedy this and allow MAIF the same flexibility as other insurers.

If passed, this bill could have a positive affect on some of Baltimore City's most vulnerable populations. Our drivers would be able to purchase and maintain insurance policies without adding unjust financial burdens. This would help make our streets safer for drivers and pedestrians alike.

For these reasons, the BCA respectfully request a **favorable report** on House Bill 377.