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HB998 – Maryland Insurance Administration - Study on Diminished Value Within the Automobile Industry

FAVORABLE

Carrington & Associates, LLC, requests a FAVORABLE report for HB998. This bill requires the Maryland Insurance Administration (MIA) to study and make recommendations regarding State practices on diminished value within the automobile industry. MIA must report its findings and recommendations to the Governor and the General Assembly by December 31, 2023.

According to the “Consumer Advisory: Automobile Diminished Value Claims” December 14, 2022, “It is important to remember that the insurer of the at-fault driver is not obligated to notify you that you might have a D-V claim; it’s up to you to file the claim and prove the amount. If you file a claim, you will need to notify the insurer and submit proof of the loss of value. Under Maryland law, there is no required method for determining the D-V claim amount. If the insurer counters with an offer amount you feel is unfair, and you and the insurer cannot reach an agreement, you may want to consult an attorney to see what options you have.”

Many of us have had car accidents. Regardless of how careful you are on the road, other drivers may “accidentally” hit your car and cause significant damage. In that case, it’s no fault of your own, however, unless you know all the ins and out of your complicated insurance policy, your car could lose value. That is, according to the Consumer Advisory, “even if the repairs to your car have been performed to industry standards, because the vehicle now has an accident history.”

We thank Delegate Ivey for sponsoring this important legislation on behalf of the automobile owners in our State that could unknowingly lose value in their property.

For the stated reasons, we ask for a FAVORABLE report on HB998. Please feel free to contact Darrell Carrington, at darrell.carrington@verizon.net, if you would like any additional information.