



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

HB 355

February 9, 2023

TO: Members of the Economic Matters Committee
FROM: Nina Themelis, Interim Director of Mayor's Office of Government Relations
RE: House Bill 355 - Baltimore City Lifeline Low-Cost Automobile Insurance Program
POSITION: Support

Chair Wilson, Vice Chair Crosby, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** House Bill (HB) 355.

HB 355 mandates the Maryland Automobile Insurance Fund (MAIF) to establish the Lifeline Low-Cost Automobile Insurance Program, the purpose of which is to offer affordable auto insurance policies to residents of Baltimore City. The program is open to low-income drivers who have good driving records.

The program is modeled on a highly successful California program that has covered more than 150,000 low-income people who might otherwise not be able to afford the minimum coverage needed to drive legally. Many low-income drivers in Baltimore City struggle with the cost of auto insurance coverage, even when they have a record of safe driving, because insurers use socioeconomic data unrelated to driving record to set rates. The Federal Insurance Office (FIO) of the US Department of Treasury determined in 2026 that auto insurance in ten Baltimore zip codes, home to 334,000 residents, was "unaffordable." The Lifeline Low-Cost Automobile Insurance Program would help to keep a number of those residents on the road and driving legally.

For these reasons, the BCA respectfully requests a **favorable** report on **HB355**.