

**SenatorBailey\_FAV\_SB172.pdf**

Uploaded by: Jack Bailey

Position: FAV

JACK BAILEY  
Legislative District 29  
Calvert and St. Mary's Counties

Budget & Taxation Committee



THE SENATE OF MARYLAND  
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January 31, 2024

**Senate Bill 172 – Private Passenger Motor Vehicle Insurance – Premium Increases – Collisions With Wild Animals**

Dear Chair Beidle and Members of the Committee,

I am writing to introduce Senate Bill 172. This legislation would prohibit an insurance company from increasing a premium based on the claims history of an insured individual where two or fewer of the claims within the prior three years resulted from collisions with free-roaming wild animals for which the insured was not at fault for the loss.

I am introducing this legislation based on my own personal experience. In September 2021, I was involved in a collision with a deer. My insurance company determined I was not at fault for this accident. However, this incident was later combined with a previous incident from 2020 as cause to increase my premium by 26%. My insurance company did not increase my premium due to the accident in 2020 and, when I inquired with my agent about the reason for the increase, I was informed that the deer collision caused the premium increase, even though I was determined not to be at fault for this accident.

When disputing this increase, I was effectively told that the insurance company was not increasing my premium because it made sense, but because they could. Senate Bill 172 will update Maryland's laws to ensure that consumers are protected from the risk of premium increases resulting from these deer strikes. As we are all aware, deer collisions are far too common in Maryland. Since the last major revision of the State's insurance laws approximately 50 years ago, the number of cars on Maryland roads and the number of deer in our State has risen substantially. A report from the Department of Natural Resources, citing data from State Farm, projects that there are between 30,000 and 35,000 deer-vehicle collisions in our State each year. I don't believe that Marylanders should be required to pay more for their auto insurance because of an accident for which they were not at fault. This legislation is intended to ensure that Marylanders who find themselves in a similar situation in the future are protected from the premium increases that I experienced.

I respectfully request a favorable report on Senate Bill 172. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Bailey', written over a horizontal line.

Senator Jack Bailey

**SB 172\_UNF\_MAMIC.pdf**

Uploaded by: Bryson Popham

Position: UNF



191 Main Street, Suite 310 – Annapolis MD 21401 – 410-268-6871

January 30, 2024

The Honorable Pamela Beidle  
Chair, Senate Finance Committee  
3 East Miller Senate Office Building  
Annapolis, Maryland 21401

RE: Senate Bill 172 Private Passenger Motor Vehicle Insurance - Premium Increases - Collisions With Wild Animals – UNFAVORABLE

Dear Chair Beidle and Members of the Committee,

We are writing to respectfully request an unfavorable report on Senate Bill 172, a bill that would prohibit the longstanding use of a legitimate rating factor in automobile insurance.

MAMIC is comprised of 12 mutual insurance companies that are headquartered in Maryland and neighboring states. Approximately one-half of our members are domiciled in Maryland, and are key contributors and employers in our local communities. Together, MAMIC members offer a wide variety of insurance products and services and provide coverage for thousands of Maryland citizens.

The Maryland Insurance Administration has, among its primary duties, the obligation to review the rating practices of insurers to guarantee compliance with both State insurance statutes and other applicable laws. In automobile insurance, the collision of a vehicle with another object, whether that object is, for example, another vehicle, a fixed object such as a tree, or a deer, may give rise to a permissible rating factor under conditions established by the MIA. The MIA is responsible for overseeing the use of all such rating factors by insurers. Traditionally, the General Assembly has consulted with the MIA on such matters and followed its advice.

The use of such rating factors ensures fairness of automobile insurance rates across the entire insured population. We note that the MIA has not, to our knowledge, recommended to the General Assembly that it should prohibit a rating factor based on collision with a deer (or any wild animal).

For these reasons, we respectfully request an unfavorable report on Senate Bill 172. Thank you for your consideration of our views on this legislation.

Sincerely,

A handwritten signature in black ink that reads 'Jeane A. Peters'.

Jeane A. Peters, President

cc: The Honorable Jack Bailey  
Bryson F. Popham

# **SB0172private Passenger Motor Vehicle Insurance F**

Uploaded by: Nancy Egan

Position: UNF



## Testimony of

### American Property Casualty Insurance Association (APCIA)

#### Senate Finance Committee

#### Senate Bill 172- Private Passenger Motor Vehicle Insurance - Premium Increases - Collisions With Wild Animals

January 31, 2024

#### Letter of Opposition

The American Property Casualty Insurance Association (APCIA) is a national trade organization whose members write approximately 55.2.% of the personal auto insurance market in Maryland. The bill prohibits an insurer, with respect to private passenger motor vehicle insurance, from increasing a premium based on the claims history of an insured where two or fewer of the claims within the immediately preceding 3-year period were for accidents or losses caused by a collision with a free-roaming wild animal and for which the insured was not at fault for the loss. APCIA opposes the legislation.

As the bill is currently drafted, it limits the ability of companies to underwrite the risk of an insured based on their claim history. Current law already provides a private passenger motor vehicle insurer may not cancel or refuse to renew coverage based on the claims history of an insured where two or fewer of the claims within the preceding three-year period were for accidents or losses where the insured was not at fault for the loss. Common automobile policy language classifies contact with an animal as “other than collision” which is typically covered under comprehensive coverage.

As DLS points out in its fiscal note, the language of the bill is unclear, and could be interpreted to only allow a private passenger motor vehicle insurer to increase a premium based on any claim after three or more claims within the immediately preceding three-year period for accidents or losses caused by a collision with a free-roaming wild animal for which the insured was not at fault for the loss. Under this interpretation, an insurer would not be allowed to increase a premium based on any number of collisions with other vehicles or property unless the insured has made three or more claims for collisions with wild animals that meet the bill’s specifications. This is very concerning as these costs would be passed on to all insureds.

Finally, not all insurers will increase their premium for comprehensive losses, such as hitting an animal. But this bill could have the opposite effect. To avoid passing these costs on to all their customers, insurers could begin surcharging for a third collision with an animal. Or, because this only applies to wild animals, does that mean insurers can surcharge for colliding with a domestic animal, like a dog, a cow, or a horse?

For these reasons, APCIA urges the Committee to provide an unfavorable report on Senate Bill 172.

Nancy J. Egan,

State Government Relations Counsel, DC, DE, MD, VA, WV

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**SB172\_HSUS\_LOI.pdf**

Uploaded by: Jennifer Bevan-Dangel

Position: INFO



**THE HUMANE SOCIETY  
OF THE UNITED STATES**

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January 31, 2024  
Finance Committee  
SB172 : Private Passenger Motor Vehicle Insurance - Premium Increases - Collisions  
With Wild Animals  
**LETTER OF INFORMATION**

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The Humane Society of the United States, on behalf of our supporters across Maryland, wants to provide the Committee with brief informational testimony related to SB172: *Private Passenger Motor Vehicle Insurance - Premium Increases - Collisions with Wild Animals*. We thank the sponsor for introducing a bill that seeks to utilize different strategies and responses to conflict with wildlife. We are offering this informational testimony to ensure the Committee is aware of additional tools related to this issue, for their future consideration.

Most (87%) animal-vehicle collisions in the United States involve deer but other species are struck, too.<sup>1</sup> Many factors contribute to deer-vehicle collisions, such as traffic volume, drivers' speeds and distraction levels, the extent to which roads bisect habitat, the extent of visual barriers and speed limits. Fortunately, many humane and effective ways to reduce the number of collisions involving deer exist. They range from increasing individual awareness and caution to implementing new technology and structures. Some of the best collision-reducing efforts focus on public education of both current and new drivers. The messaging should focus on driver awareness and lowering the rate of speed.

One of the most successful techniques for alleviating animal-vehicle collisions is to **use fencing** to prevent deer from crossing roads and aid in guiding them to places where it is safe to cross. Fences must be at least 8 feet high to deter deer from jumping over. **Wildlife crossing overpasses or underpasses** help deer, black bears and other wildlife safely cross busy roads and intersections. **Streiter Lite® reflectors**, which reflect headlights to create an optical illusion of a fence and alert deer to oncoming vehicles, have been reported to reduce deer-vehicle collisions by 60-100%. **Special electronic devices** alert oncoming vehicles by combining a strobe light effect with high-pitched sounds.<sup>2</sup> An important and affordable approach to increasing driver awareness and modifying driver behavior can be achieved by utilizing moveable, changeable **message boards at crossing hotspots**. **These signs** that alert drivers to pending roadway dangers are contrary to static crossing signage broadcast important seasonal tips such as when fawns are likely to be crossing the road behind their mothers, or during the November "rut" when bucks are on the move and likely to be crossing roadways in pursuit of does.

The Committee should also be aware that last December, the Department of Transportation (DOT) announced \$110 million in grants for 19 wildlife-crossing projects in 17 states and four tribal nations.<sup>3</sup> The funds are part of a 5-year commitment to provide \$350 million to support construction of crossings to protect people and wildlife on our nation's roadways. DOT estimates Americans are involved in one to two



million animal-vehicle collisions annually resulting in 200 human death and 27,000 injuries.<sup>4</sup> The estimated average cost of a single animal-vehicle collisions is \$6,126, which includes property damage, human injuries and/or fatalities.<sup>5</sup>

In one study, the construction of three underpasses cost more than three million dollars, but that figure represented less than 2% of the entire cost of a new section of highway.<sup>6</sup> In comparison, DOT estimates the annual costs associated with animal-vehicle collisions is \$8.4 billion annually.<sup>7</sup> Safe passages are worth their investment because of the much higher cost savings to society.

Finally, it is necessary and important to **set up a data collection system to track collision hotspots** to understand where, when and at what scale strikes are occurring. Rochester Hills, Michigan implemented these solutions and realized a large drop in deer-car collisions in the first year and has experienced success over the last decade with a multi-faceted approach for approximately \$5,000 a year.<sup>8</sup>

Thank you for this opportunity to address the vexing issue of animal-vehicle collisions with you and we hope this informational letter will inform future efforts to protect people and wildlife in Maryland.

Sincerely,

Jennifer Bevan-Dangel, Maryland State Director  
**The Humane Society of the United States**  
[jbevandangel@humanesociety.org](mailto:jbevandangel@humanesociety.org)

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<sup>1</sup> Ibid.

<sup>2</sup> DeerDeter – Wildlife Crossing Guard. <http://deerdeter.com/>

<sup>3</sup> Lauren Sforza, "Us Grants \$110 Million to Improve Wildlife Road Crossings," *The Hill* Dec. 5, 2023.

<sup>4</sup> Ibid. U.S. Department of Transportation, "Wildlife-Vehicle Reduction Study: Report to Congress," <https://www.fhwa.dot.gov/publications/research/safety/08034/08034.pdf> (2008).

<sup>5</sup> "Wildlife-Vehicle Reduction Study: Report to Congress."

<sup>6</sup> M. F. McCollister and F. T. van Manen, "Effectiveness of Wildlife Underpasses and Fencing to Reduce Wildlife-Vehicle Collisions," *Journal of Wildlife Management* 74, no. 8 (2010). McCollister and van Manen 2010 citing Jones et al. 2010.

<sup>7</sup> U.S. Department of Transportation, "Wildlife-Vehicle Reduction Study: Report to Congress," p. 9.

<sup>8</sup> Rochesterhills.org, "City highlights deer awareness month."  
[https://www.rochesterhills.org/news\\_detail\\_T9\\_R245.php](https://www.rochesterhills.org/news_detail_T9_R245.php)