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February 5, 2024

The Honorable William C. Smith, Jr.
Chair, Senate Judicial Proceedings Committee
2 East, Miller Senate Office Building
Annapolis, Maryland 21401

RE: Senate Bill 254 Vehicle Laws - Motor Vehicle Insurance Companies – Requirements – FAVORABLE WITH AMENDMENT

Dear Chairman Smith and Members of the Committee,

Senate Bill 254 would fulfill a long-term goal of the Maryland General Assembly in providing a system of automobile insurance verification in real time. Maryland has struggled for many years to provide law enforcement officials and other agencies with effective tools to enforce our law that requires all vehicles to carry motor vehicle liability insurance. The adoption of the system described in Senate Bill 254 would finally achieve that goal. Please note that the MAMIC position is joined by our national association, the National Association of Mutual Insurance Companies (NAMIC).

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.

On behalf of the Maryland Association of Maryland Insurance Companies (MAMIC), we support Senate Bill 254 with an amendment. The amendment is intended to provide MAMIC members sufficient opportunity to comply with the requirements of the new law. Because most of our members are small insurers with limited information technology resources, we request that the MVA delay the effective date of the bill until such time as final specifications are published and a sufficient period of time allowed for small insurers to comply. Note also that MAMIC and the MVA have been engaged in a constructive dialogue regarding this issue, and we hope to have agreed-upon language for an amendment to submit to the Committee as soon as possible.

Thank you for your consideration of our views on this important legislation.

Sincerely,

Jeane A. Peters, President MAMIC

Matthew Overturf, Regional Vice President NAMIC