



2025 POSITION PAPER HB148

HB148 – Private Passenger Motor Vehicle Insurance – Premium Increase – Prohibition FAVORABLE

The Maryland Association for Justice (MAJ) supports HB148 which proposes amending Maryland Insurance Article Section 27-501(k) to include a prohibition on the increase of premiums by insurance companies where two or fewer of the claims within the preceding 3-year period were for accidents or losses where the insured was not at fault for the loss.

The current version of the statute already reflects the legislature’s intent to ensure that consumers are not punished for making claims related to accidents for which they were not at fault. This amendment is a natural and important extension of that principle that will ensure that Marylanders are protected from increased insurance premiums in that scenario.

When a person makes a “no fault” claim under their own policy, they are attempting to avail themselves of coverage for which they have already paid premiums. To permit insurance companies to increase premiums as a result of those claims would have two adverse effects: (1) It would enable insurance companies to “double dip” by effectively charging consumers on both the front and back end of accidents for which they were not at fault and (2) it would operate to dissuade consumers from utilizing coverages under their policy for which they have already paid premiums for fear that future premiums would increase.

The current bill in no way restricts or limits an insurance company’s ability to take into account accidents caused in whole or in part by their insureds. It is not appropriate or reasonable to punish those consumers with higher premiums simply because they were innocent victims in an accident.

The Maryland Association for Justice urges a FAVORABLE Report on HB0148.

About Maryland Association for Justice

The Maryland Association for Justice (MAJ) represents over 1,250 trial attorneys throughout the state of Maryland. MAJ advocates for the preservation of the civil justice system, the protection of the rights of consumers and the education and professional development of its members.

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