



Insurance Agents
& Brokers

February 10, 2025

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

RE: Senate Bill 551 Private Passenger Motor Vehicle Insurance - Collisions with Wild Animals - Prohibited Actions by Insurers - UNFAVORABLE

Dear Chair Beidle and Members of the Committee,

On behalf of the Insurance Agents & Brokers of Maryland, we are writing to respectfully request an unfavorable report on Senate Bill 551, which would prohibit insurers from using collisions with wild animals as a rating factor in automobile insurance. IA&B is a trade association comprised of nearly 200 independent agencies, employing approximately 1,800 licensed Maryland insurance producers, which are located in and doing business throughout Maryland and the surrounding states.

It is the responsibility of the Maryland Insurance Administration to ensure insurers' rating practices comply with laws, including requirements that any rating factor must be actuarially justified. In other words, rating factors must reflect the level of risk being insured. Past vehicle collisions of any kind are typically indicative of a higher likelihood of future accidents.

By restricting actuarially justified rating factors, the legislature would shift costs to lower-risk drivers, requiring them to effectively subsidize higher-risk individuals with prior collisions. IA&B recommends that before making such changes, the legislature should request a study from the Maryland Insurance Administration to assess the impact they would have on other drivers' premiums.

For these reasons, we respectfully request an unfavorable report on Senate Bill 551. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads 'Johnathan Savant'.

Johnathan Savant
Director, Government Affairs

cc: Claire Pantaloni
Bryson F. Popham