

March 31, 2026

The Honorable Kriselda Valderrama, Chair
House Economic Matters Committee
231 Taylor House Office Building
Annapolis, Maryland 21401

Re: Senate Bill 274 - Fair Housing and Housing Discrimination - Regulations and Discriminatory Effect

Dear Chair Valderrama and Members of the Committee,

The National Association of Mutual Insurance Companies (NAMIC) appreciates the opportunity to offer up amendment language for Senate Bill 274 - Fair Housing and Housing Discrimination - Regulations and Discriminatory Effect by Senator Charles Sydnor (D).

The National Association of Mutual Insurance Companies (NAMIC) is the foremost trade association representing the property/casualty insurance industry. Serving more than 1,300 member companies—including local and regional insurers as well as some of the nation’s largest carriers—NAMIC members collectively write \$467 billion in annual premiums, representing 61% of the homeowners and 53% of the automobile insurance markets. For more than 130 years, NAMIC has been the leading voice advancing public policy solutions and regulatory frameworks that promote a strong, competitive market and protect our members and their policyholders.

While we appreciate the Senate’s amendment removing the phrase “regardless of intent,” the bill continues to define discriminatory effect based on a disparate impact standard. This remains the core of our concern. As written, the bill would introduce a legal framework that is fundamentally misaligned with the existing regulatory standards governing insurance companies under Maryland’s Insurance Article.

Insurers are already subject to extensive oversight by the Maryland Insurance Administration, including well-established standards prohibiting unfair discrimination and requiring actuarially sound, data-driven practices. Applying a disparate impact standard, without regard to actuarial justification or regulatory approval, creates uncertainty and conflicts with the current insurance regulatory structure.

This mismatch could expose insurers to inconsistent legal and regulatory obligations, despite full compliance with existing insurance laws. Such an outcome would undermine regulatory certainty and could have unintended consequences for rate setting, underwriting, and product availability in Maryland.

We have offered up amendment language to the sponsor that we believe ensures that insurance remains regulated under the long-standing, actuarially based framework specifically designed for risk-based decision-making, while preserving all of the bill’s intended fair housing protections. The amendment clarifies that the bill’s new standard does not apply to homeowners insurance underwriting, rating, eligibility, or related insurance decisions, which are already fully governed by the Maryland Insurance Article’s Unfair Trade Practices Act and enforced by the Maryland Insurance Administration. The amendment prevents overlapping or conflicting standards between housing law and insurance regulation, maintains consistent enforcement for consumers, and avoids unintended consequences for the availability and affordability of homeowners insurance in Maryland.



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NAMIC appreciates your consideration of our views. We would be happy to work with the sponsor and involved stakeholders to find a compromise that works for all involved.

Sincerely,

Gina Rotunno

Gina Rotunno
Regional VP
Mid-Atlantic

Amendment to SB 274 (Fair Housing and Housing Discrimination – Regulations, Intent, and Discriminatory Effect)

On page 5, after line 3, add:

(C) FOR PURPOSES OF SUBSECTION (A), “SERVICES” DOES NOT INCLUDE SERVICES PROVIDED BY A PERSON REGULATED UNDER TITLE 27 OF THE INSURANCE ARTICLE

As currently drafted, the bill would prohibit acting “in a manner that has a discriminatory effect” (regardless of intent) against a person in services in connection with the sale or rental of a dwelling. This could potentially be applied to homeowners insurance decisions in connection with the sale of a dwelling and create conflicting legal standards in this context for insurers. Insurers are extensively regulated by the Maryland Insurance Administration under the Unfair Trade Practice Act in the Insurance Article with regard to their underwriting decisions. Under that Act, underwriting decisions are subject to a different, longstanding legal standard under which an insurer may not refuse to issue a policy for any “arbitrary, capricious or unfairly discriminatory reason.” This amendment would ensure that insurers’ underwriting decisions remain subject to the existing legal framework of the Unfair Trade Practice Act and are not subjected to an inconsistent legal framework and enforcement mechanisms would be imposed by the bill.