



**Testimony of  
American Property Casualty Insurance Association (APCIA)**

**Senate Finance Committee**

**Senate Bill 304 - Private Passenger Motor Vehicle Insurance -Collisions with Wild Animals-Prohibited  
Actions by Insurers**

**February 4, 2026**

**Unfavorable**

The American Property Casualty Insurance Association (APCIA) is a national trade organization whose members write approximately 67.4% 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, add a surcharge, or remove, alter or refuse to consider a discount based on accidents or losses 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- 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. This bill would in effect extend the existing limitation to any collision with an animal, which under common automobile policy language classifies as “other than collision” which is typically covered under comprehensive coverage.

As pointed out by the recent study by the Maryland Insurance Administration, [The Effects of Wild Animal Collisions on Premium Increase for Private Passenger Automobile Insurance Report](#), 90% of policyholders carry comprehensive coverage.<sup>1</sup> The study found that the vast majority (94.9% of the market by premium)of companies surveyed did not apply surcharges for comprehensive losses that as a result of collision with animals. Of the 73 companies surveyed, only 3 companies apply a surcharge for comprehensive losses with animals, however some companies include animal impact losses when calculating the loss cost threshold for a surcharge.<sup>2</sup>

Fifteen companies (11.86%) will consider claims under comprehensive coverage, including collisions with animals, to determine qualification for a safe driver or a loss free discount. These companies will consider the overall number or dollar amount of the claims to determine whether to remove the discount. Companies often consider comprehensive losses and not at fault accidents when initially underwriting a risk and this bill could impact those decisions as well.

Companies pass on the increased costs of these claims to their policyholders in two ways: by adjusting the base rate for all policyholders it can be raised; or individual policyholders can be charged more. This bill leaves only adjusting the base rate for all policyholders as the only option.

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

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<sup>1</sup> <https://insurance.maryland.gov/Consumer/Appeals%20and%20Grievances%20Reports/Effects-of-Wild-Animal-Collisions-on-Premium-Increases-for-Private-Passenger-Automobile-Insurance-%20Report.pdf> See page 5.

<sup>2</sup> Id.

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 304.

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